

Militancy Puts Environmental Group a World Apart From the Old Guard

By Katherine Bishop
New York Times Service

EUREKA, California — Some look like latter-day hippies with sandals and long hair, meditating and focusing love on corporate leaders of the timber companies that are cutting down their cherished redwoods. Some wear cowboy hats and boast they can drink as much beer as any logger. Their group is Earth First and their cause is the environment, but not à la the Sierra Club or the Audubon Society. Earth First members are militant. Some sit on platforms to block the cutting of trees. Some advocate sabotage against developers and loggers.

Until a pipe bomb injured two activists, Judi Bari and Darryl Cherney, few people outside this area had heard of Earth First's plans for a series of demonstrations intended to halt the logging of redwoods in northern California.

The first major demonstration, scheduled for Wednesday, is meant to bring thousands of people to block the docks near this port city in northwest California, where the Louisiana-Pacific Corp. ships rough timber to foreign countries.

Calling them "couch potato environmentalists," Earth First members have little use for tactics of

the Sierra Club and other groups that concentrate on letter-writing campaigns, lobbying and lawsuits.

"I believe in confrontational demonstrations," said Lisa Breger, who trains volunteers in nonviolent tactics for what the group hopes will be a summer of demonstrations aimed at halting the logging of California redwoods. Political movements need vanguards willing to engage in zealous and even illegal action, she said. "There is a need for an extreme element."

When they were injured, Ms. Bari and Mr. Cherney were touring college campuses, seeking recruits for "Redwood Summer" demonstrations. Although Earth First contends that the bomb was the work of timber companies, the authorities see it as a different story. The two activists have been arrested on suspicion of transporting a bomb that accidentally exploded as they were driving through Oakland.

Ms. Bari is still hospitalized, recovering from a broken pelvis and nerve damage that may require her to wear a brace on one leg. Mr. Cherney was slightly injured in one eye and suffered a temporary hearing loss. He has been released on bail, and prosecutors are expected to announce Friday

whether the pair will be charged with possessing and transporting an explosive device.

The West, with its open spaces and its general tolerance of eccentric manners and attitudes, allow Earth First members to live on marginal finances with little structured work.

Many of them have been drawn to the Ukiah area, about 200 miles (325 kilometers) southeast of Eureka, where the vineyards of Sonoma County give way to the redwood forests of Mendocino and Humboldt counties.

Since they first surfaced in 1981 with a prank that created a realistic-looking fake crack in the Glen Canyon Dam on the Arizona-Utah border, Earth Firsters have gained attention with such activities as dressing as spotted owls and other species of wildlife to oppose development, and communal "tree hugging" to prevent trees from being cut down.

Often calling themselves a tribe, they read publications like "The New Settler," which advises people on living off the land, and are inspired by Edward Abbey's 1975 book, "The Monkey Wrench Gang," a novel celebrating the destruction of bulldozers, bridges and dams by a band of

anti-development nature lovers. Mr. Abbey said their raison d'être was "a conservative instinct to keep things not as they are but as they should be, to keep it like it was."

Earth First members say the demonstrations are an attempt to save as many trees as possible until the November election, when two anti-logging measures will be on the ballot.

Ms. Bari, 40, grew up in Baltimore and has worked in union organizing, the anti-nuclear movement and with organizations opposing U.S. involvement in Central America. She lives near Ukiah, and before her injury she worked as a carpenter.

Mr. Cherney, 33, was born in New York and moved to Eureka in the mid-1980s "to learn to live off the land and to save the world." He became the movement's troubadour, writing songs like "You Can't Clear-Cut Your Way to Heaven," about harvesting redwoods, and "We're All Dead Ducks," about oil-soaked waterfowl. He has advocated sabotage against developers and loggers, a practice he calls "ecotage."

But such positions have caused concern at the Sierra Club and other mainstream groups that

have repudiated illegal tactics. The Sierra Club has refused to endorse Earth First demonstrations, citing fears of violence, and the Wilderness Society has denounced violent or illegal tactics.

"We are supportive of stopping logging of old-growth timber, but we do not condone violence or the breaking of any law," said a spokesman for the Wilderness Society. Last year Murray Bookchin, who runs the Institute for Social Ecology, called Earth First members "eco-fascists" who see people as a "cancer on the planet."

Unlike the Sierra Club and others that focus on preserving remaining natural resources and creating parks where the public can visit nature, Earth First espouses "deep ecology" — the re-creation of vast areas of wilderness.

Many members say the forests are being depleted and that the threat to their survival calls for radical solutions.

"The holocaust against the environment and its species is the same as any holocaust against humans," Mr. Cherney has said. "Civil rights for the environment are inseparable from civil rights for humans, since the environment provides us with our life-support systems."

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Florida Killer of 8 Suspected in 2 Other Murders

By Ronald Smothers
New York Times Service

JACKSONVILLE, Florida — A man who fired dozens of rounds from a semiautomatic rifle through the office of a finance company here, killing eight people and wounding five before shooting himself to death, had previously pleaded guilty to a felony charge of aggravated assault.

The police said they believed the gunman had also killed two people the day before.

Witnesses said the gunman, identified by the police as James E. Pough, 42, of Jacksonville, immediately began shooting as he silently walked into the offices of General Motors Acceptance Corp.

Sheriff James E. McMillan said witnesses told investigators that the man walked through the office, where more than 85 people worked, firing in rapid bursts, then pausing and firing again. At times, they said, he aimed under desks where some of the workers had huddled. Others fled out the back door.

Seconds later, "he apparently turned the gun on himself," the sheriff said.

The gunman was armed with a .30-caliber semiautomatic assault rifle whose magazine can hold 30 rounds. He also carried a .38-caliber revolver. The sheriff said that

only one shot had been fired from the revolver.

The police found several rifle clips, some empty and some full, inside the office. "There's numerous magazines, plus numerous rounds in his pockets," a deputy said. "He was loaded for war."

Soon after the shootings, the police learned from their own records that Mr. Pough was a convicted felon, having been arrested for murder in 1971 and later pleading guilty to aggravated assault. He was given five years' probation.

[A police spokesman said Tuesday that Mr. Pough might not have been considered a convicted felon. The Associated Press reported. The records showed that if Mr. Pough obeyed the terms of his probation, the case was to be removed from his record. An overnight records check showed that he successfully completed his probation. Officials were still checking to confirm that the case was removed.]

The sheriff Mr. Pough was also a suspect in two weekend killings involving a similar rifle, and in which witnesses described a gunman matching his description.

There were earlier reports that Mr. Pough had been angered over the repossession of his 1988 Pontiac, but the sheriff said later that the repossession occurred six months

ago. The sheriff said it was not clear that losing the car was what set off the shootings.

Despite his record, the authorities said, Mr. Pough had bought the .38-caliber revolver in violation of state law and gone through the process of registering it with the police.

His possession of the semiautomatic rifle, while also illegal, would not necessarily have come to the

authorities' attention, since shoulder weapons, unlike pistols, do not have to be registered.

The shooting Monday was the worst mass fatal shooting in the United States since Sept. 14, when Joseph T. Wesbecker, 47, a pressman on disability for mental illness, killed 8 people and wounded 12 at a printing plant in Louisville, Kentucky, then killed himself.

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FBI Weighs Eased Rules On the Use of Firearms

By David Johnston
New York Times Service

WASHINGTON — The FBI is taking steps to ease policy on the use of deadly force, allowing agents to shoot not only to defend themselves but also to stop fleeing suspects believed to have caused death or injury.

New guidelines, which have the preliminary approval of the FBI director, William S. Sessions, also would permit agents, for the first time, to fire warning shots to halt escaping people if there is no risk to innocent bystanders, federal law-enforcement officials said.

Representatives of some law-enforcement groups said the new policy, if enacted, would be likely to prompt changes in local police departments. Most police departments strictly limit warning shots and firing at fleeing subjects.

"The bureau's policies set the standard for police departments in America," said Hubert Williams, the president of the Police Foundation and the former police director in Newark, New Jersey.

"The effect of this policy is going to cause re-evaluation among police departments throughout the country," he said.

"If you provide that level of discretion in police departments, I think there will more abuses and more instances of people shot by the police," Mr. Williams said.

The proposal to loosen the rules has prompted intense debate in the bureau.

Some FBI officials opposed the change, fearing that it would lead to criticism of the bureau.

Although Mr. Sessions has endorsed the proposal, it has not been put into effect, pending discus-

sions with Attorney General Dick Thornburgh.

While Mr. Thornburgh's approval is not formally required, FBI officials said Mr. Sessions wanted his clearance first.

Justice Department officials said Monday that Mr. Thornburgh had not yet seen the proposal.

"It is under consideration, but it has not been implemented in the field," said Robert B. Davenport, the FBI spokesman, who declined to discuss the details of the new policy.

In a broad sense, the plan to shift from guidelines that permit agents to shoot only to protect their own lives or to safeguard the lives of others reflects the increasing danger confronted by agents, particularly in fighting drug-related crime.

James J. Fyfe, a former New York City police lieutenant who teaches law enforcement at American University in Washington, said most police departments allowed officers to shoot only in self-defense or to protect others.

Enactment of the new policy by the FBI would create substantial differences among federal law-enforcement agencies.

A spokesman for the Drug Enforcement Administration said the agency had no plans to change its rules, which allow drug agents to shoot only in self-defense or to protect the lives of others.

Under current guidelines, FBI agents never had to decide whether to fire a warning or disabling shot because in situations where they were authorized to discharge their weapons, the agents were under instructions to fire their weapons only when they intended to kill someone.

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Wrath on 'Birthrate' Remark Sends Home a Lesson in Japan

By David E. Sanger
New York Times Service

TOKYO — After several days of controversy that has embarrassed the governing Liberal Democratic Party, Finance Minister Ryutaro Hashimoto has denied saying that the growing number of women seeking higher education are responsible for the sudden decline in Japan's birthrate.

Mr. Hashimoto, who is considered a strong candidate to become prime minister in coming years, was quoted in the Japanese press and by some of his own colleagues as suggesting at a cabinet meeting June 12 that Japan should rethink its policies of promoting college education for women.

But in a letter Saturday, Mr. Hashimoto said, "It was distressing and damaging for me to be accused of having made a statement I had not actually made."

Yet his letter left many questions unanswered and seemed unlikely to quell what Mr. Hashimoto termed a "strong fury among Japanese women."

The reports of his comments have struck a raw nerve for an increasingly assertive population of young Japanese, particularly women.

Awareness of women's issues has

grown significantly since last year, when the votes of women proved decisive in ending the Liberal Democrats' control of the upper house of parliament.

Nonetheless, the reaction to Mr. Hashimoto's alleged remarks clearly took the governing party by surprise, and its leaders have spent much of the last few days furiously backtracking.

"It has become an issue," said Kuniko Inoguchi, a professor of political science at Sophia University, "because the declining birthrate really reflects the fact that the government's policies have failed to provide young Japanese couples with better amenities in life, like bigger and more affordable housing."

"We don't want politicians looking for other causes, or suggesting that the problem is the fault of women."

Japan's birthrate has fallen precipitously in recent years. A government study released several weeks ago said the average number of children a woman in Japan could expect to have in her lifetime dropped to 1.57 in 1989. In 1965, the figure was 2.14.

Japan already suffers from an acute labor shortage. Economists are questioning whether the labor force will be large enough to sus-

tain planned economic expansion in the early 1990s.

Few politicians are willing to call for a sharp increase in the birthrate, in part because such a move would be reminiscent of Japanese policy before and during World War II, when the government urged women to reproduce as quickly as possible to preserve the Japanese empire.

Jim Shiozaki, minister of the Management and Coordination Agency, said after the cabinet meeting last week that Mr. Hashimoto had urged the Education and Labor ministries "to examine the relationship between higher education for women and the birthrate."

Japanese newspapers went further, quoting Mr. Hashimoto as saying that higher education is "contributing to lowering the birthrate."

The reports suggested that he had left the strong implication that Japan should rethink its policy of encouraging young women to go to college rather than marrying and beginning families early.

Later, Mr. Shiozaki changed his account, saying Mr. Hashimoto had said nothing about the birthrate but rather had requested a "comprehensive study on the relationship between higher education and its impact on employment in general."



UNDER SCRUTINY IN MANILA — Trade Minister Jose Conception of the Philippines testifying Tuesday before a Senate committee that is investigating "conflict of interest" in his activities. He is said to have maintained substantial holdings in his family-owned corporations.

Chinese Dissident Returns Home but 2 Are Still Missing

New York Times Service

BEIJING — Almost three weeks after three prominent dissidents disappeared just hours before they were to hold a news conference, one of them has returned home and said he was detained by the police.

Zhou Duo, 43, said the three had been detained on May 31, shortly

before the news conference at which they planned to call for the release of political prisoners.

Mr. Zhou said he was released on Sunday but did not know whether the others had been. All three took part in a hunger strike at Tiananmen Square in Beijing last year, before the crackdown on student-led demonstrators.

The whereabouts of the most prominent of the three, a Taiwan-born pop singer, Hou Dejian, are unknown; a family member said Tuesday that he had not returned home. The third, Gao Xin, a former editor of a college publication, also has not returned, and Mr. Zhou said Mr. Gao would have contacted him if he had been released.

Barbra Walz Dies at 39, Fashion Photographer

New York Times Service

NEW YORK — Barbra Walz, 39, a fashion photographer known as much for her informal pictures of designers as for their clothes, died of breast cancer Monday in New York City.

In the introduction to her first book, "The Fashion Makers," published in 1978, Mrs. Walz described her approach. "I always tried to bring out some part of their personality for the public to see," she wrote. "I found a magic in the designers I photographed. I also became aware that the public was reaching to them on a new level and they had become celebrities."

In "Staring Mothers," about well-known mothers and their children, her subjects included the former San Francisco mayor, Dianne Feinstein, the singer Patti LaBelle, the journalist Sally Quinn and the singer Carly Simon. It was considered one of the best photographic books of the year and was included in a group show by the International Center of Photography. Her subjects for 15 cover stories for The New York Times Magazine included the novelist E.L. Doctorow, the theater producer Joseph Papp and the composer-lyricist Stephen Sondheim. Her photographs also appeared in GQ, Metropolitan Home, Parade, Rolling Stone and Town & Country.

Other deaths:

Evangeline Johnson Merrill, 93, who was the last surviving child of Robert Wood Johnson, co-founder of Johnson & Johnson, Sunday in Hendersonville, North Carolina.

Don Dale Alexander, 70, a nutrition specialist whose advice included a mixture of cod liver oil and orange juice for arthritis, of heart complications Friday in Los Angeles. He won acclaim in 1957 for his book "Arthritis and Common Sense."

Sayde Brenner Busch, 90, who as Sayde Tisch was a member of the family that founded the chain that is now Loews Hotels, on Monday in Miami.

Palmyra Henry, 44, a fashion model known as Pal, of a cerebral hemorrhage Sunday in New York City. She had modeled for more than 20 years.

Raymond Hunsley, 86, an English actor who specialized in comedy roles debunking pompous officialdom on the stage, in movies and on television, Friday in London. One of his best-known roles was that of Sir Geoffrey Dillon, the crusty lawyer in the TV series "Upstairs, Downstairs."

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U.S. Gives Back to Japan Some Land on Okinawa

Compiled by Our Staff From Dispatches

TOKYO — The U.S. military announced Tuesday that it would return to Japan about 2,500 acres of the nearly 62,000 acres under U.S. control on Japan's southernmost island, Okinawa.

The U.S. announcement was made four days before the 30th anniversary of the U.S.-Japan security treaty, which took effect June 23, 1960.

Japan and the local government on Okinawa, where 11 percent of the land is designated for U.S. military use, asked the United States two years ago to consolidate its installations to make more land available to Okinawans.

Twenty-three U.S. military facilities, ranging from an 448-hectare (1,100-acre) training site to a 100-square-meter refrigeration unit, will be consolidated or relocated, U.S. Forces Japan said.

The return of the land, totaling 1,000 hectares, follows a vociferous campaign by Okinawans opposed to the American presence.

The 23 installations represent 4 percent of the total land occupied by U.S. forces on the island.

The U.S.-Japan security treaty grants the U.S. military the right to operate about 100 installations, including about a dozen large bases, throughout Japan. But it requires the United States to return facilities whenever they become unnecessary.

About 55,000 U.S. troops are based in Japan, including 25,000 Marines in Okinawa, a group of islands 1,500 kilometers (930 miles) south of Tokyo. Seventy-five percent of all U.S. bases in Japan are on Okinawa.

The United States plans to trim the number of the troops stationed in Japan by 10 percent over the next three years, but a substantial military presence is expected to remain in Okinawa.

Some details of the land return, including timetables and relocation sites for some installations, have to be worked out, the military said.

The Japanese government was clearly pleased by the move. "We believe this sort of effort bodes well for the smooth operation of the Japan-U.S. security mechanism in this country," said Tatsu Watanabe, chief spokesman for the Foreign Ministry.

(UPI, Reuters)

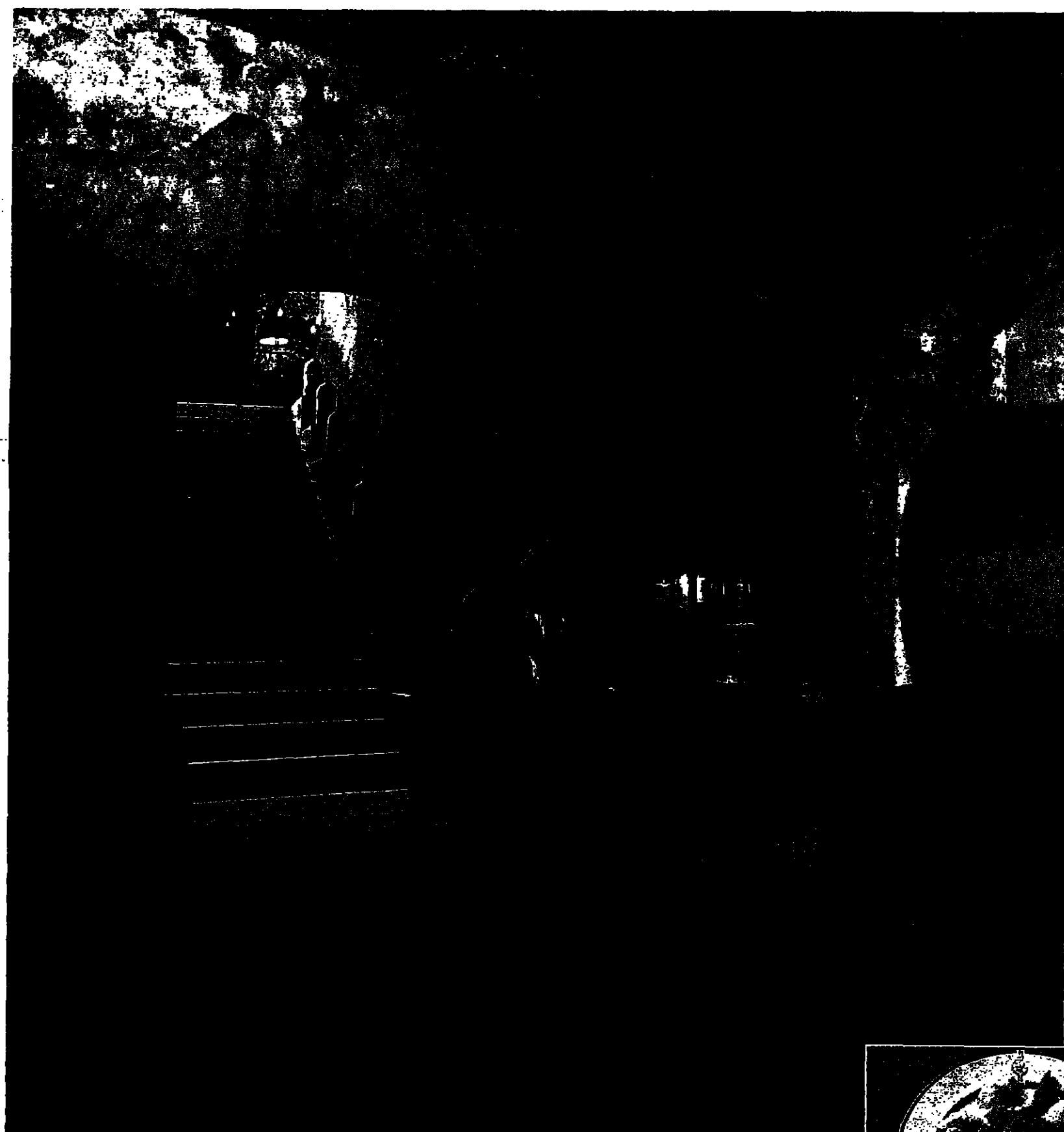
Report Exposes Mafia's 17 Bosses

Reuters

ROME — The Mafia in Italy is organized by 17 bosses and more than 16,000 people are suspected of links with organized crime, an official report said.

The anti-Mafia high commissioner, Domenico Sica, in a report to a parliamentary committee, said that the capture of the bosses would "disrupt and cause confusion inside the organized crime societies."

It said that about 800 companies were suspected of collaborating with organized crime. The judiciary could count on about 300 informers, it said, but their testimony could put more than 2,000 relatives at risk from revenge attacks.



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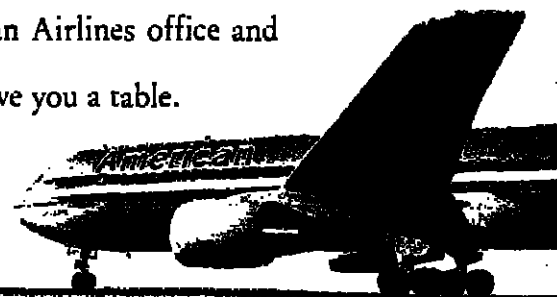


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Germans Stay Calm For Currency Shift

Economists Expect July 1, a Sunday, To Be Just a Routine Banking Day

By Richard E. Smith
International Herald Tribune

FRANKFURT — Many economists and bankers say July 1 may turn out to seem like just another banking day.

That is the much anticipated deadline for the launching of the monetary union of the two Germanys, one of the more momentous milestones in Europe's postwar economic history.

But unlike the event-filled day that introduced the Deutsche mark to West Germany in 1948, the East German exercise has been meticulously planned so far in advance and publicized to such a degree that few expect major surprises.

Planners have made sure that the 10,000 sites where East Germans can claim Deutsche marks will be open throughout the day on Sunday, July 1.

"You will not suddenly see an entire new world on the next morning," said Klaus-Dieter Schmidt, an economist with the Kiel Institute of World Economics.

Many experts increasingly expect that East Germans, wary of the threat of inflation and unemployment for the first time in 40 years, will be careful with their new funds. As a result, economists are coming to doubt that there will be any consumer buying waves large enough to be inflationary.

Perhaps the chief effect of the July deadline will be that East Germany's long protected industries will have to begin using the Deutsche mark, forcing them to face world competition in a hard currency. But economists say the rules, including the much feared plant closings and unemployment that will result, will not begin in earnest until later in the year.

The situation was considerably different in 1948. Then, a monetary plan was devised in 49 days of secret negotiations between Allied and German experts before being sprung upon the public with little prior publicity to prevent speculation. But on June 21, 1948, the Monday following the announcement, store shelves were filled with goods for sale for the first time in years.

Ludwig Erhard, the father of the economics miracle, was gratified — along with proponents of free markets — that people showed their confidence in the new and solidly based currency by bringing out goods they had long hoarded in warehouses and basements.

While that effort was fraught with a palpable sense of risk as a major historical gamble, economists generally doubt any serious unpleasant surprises next month.

"The East Germans have had a long time to get ready for this, many have now traveled in the West and both the West German government and industry are ready to help so that this works out," said Peter Pietsch, an economist with Commerzbank.

Only two major unknowns, the behavior of East German consumers and that of East German companies under the new Deutsche mark regime, remain open.

Since each East German will be eligible to receive as much as 2,000 DM (\$1,250) in the first week, there were early fears that a wave of consumer frenzy would strain supplies in West Germany to the point of provoking inflation.

But officials and bankers, including the Bundesbank president, Karl Otto Pöhl, have recently played down those fears.



NE MEANS NYET — Supporters of Sajuda, the Lithuanian separatist movement, outside the parliament in Vilnius on Tuesday to urge that the Baltic republic reject a Kremlin proposal for a freeze on its declaration of independence.

U.S. Plans to Boycott Iliescu's Inauguration, Citing Miners Violence

Compiled by Our Staff From Dispatches

BUCHAREST — The United States plans to boycott the inauguration of Ion Iliescu as president of Romania on Wednesday to show disapproval of violence by miners supporting the government, diplomats said Tuesday.

In other developments, Mr. Iliescu's government announced the arrest Tuesday of two more opposition leaders in its continuing crackdown on dissent, and the wife of another detained opposition figure sought refuge at the Dutch ambassador's home.

A Dutch Embassy official said, "We will not ask her to leave."

A U.S. Embassy official said neither the U.S. ambassador nor any other American representative would attend the inauguration ceremony.

Diplomats from other Western embassies said the action was a strong protest against Mr. Iliescu's use of miners in a crackdown on the opposition.

West German and British embassy sources said their ambassadors would attend the inauguration. French and Dutch embassy sources said their ambassadors were awaiting instructions.

Mr. Iliescu, 60, a former Communist, won a landslide victory in multiparty elections last month, having risen to lead the interim National Salvation Front administration formed after Nicolae Ceausescu was deposed and executed in December.

On Monday, the U.S. ambassador, Alan Green Jr., blamed Mr. Iliescu for inspiring the violence last week and said progress toward democracy had come to a halt.

Western governments have withheld economic assistance to Romania, except for humanitarian aid, after the violence.

The Interior Ministry announced that it had arrested Dumitru Dinca, an opposition leader, and Nica Leon, president of the small National Democratic Party.

The two arrests followed the detention on Monday of Marian Munteanu, a student leader who was severely beaten by miners. He was taken from his hospital bed to a government hospital and charged with instigating violence.

Mr. Munteanu's wife, Claudia, sought refuge at the home of Ambassador Conrad Frederik Stork, the Dutch Embassy said.

The opposition newspaper Romania Libera returned to newsstands for the first time since the unrest last week but carried a disclaimer by press operators who said that writers "distort reality."

Romania Libera, the largest opposition daily, halted publication on Thursday after its offices were looted by supporters of the National Salvation Front.

Noneditorial staff members refused to return to work to protest what they said was Romania Libera's anti-government slant, and the management agreed to publish the disclaimer airing the press operators' views.

(Reuters, AP)

Romanian String Quartet Won't Return From Italy

Agence France-Press

REGGIO EMILIA, Italy — The Romanian string quartet Gaudemus, currently performing in Italy, will not be returning home.

Speaking at the local headquarters of the Italian Socialist Party, the four musicians said they had made up their minds not to return after anti-government protesters were set upon by miners in Bucharest last week.

They said they would not immediately request political asylum in Italy for fear of reprisals against members of their families still in Romania.

The musicians are Danut Manea, Lucia Virtosu-Cires, Luiza Gabriela Fordea and Sebastian Virtosu. The quartet has been playing a series of concerts in Reggio Emilia.

Sofia Opposition Shuns Offer for Unity Cabinet

Compiled by Our Staff From Dispatches

SOFIA — A prominent opposition leader has rejected the Socialist Party's call for a government of national unity, saying he refuses to join hands with the former Communists.

Runoffs in Bulgaria's election on Sunday left the former Communist Party with a majority in parliament, but opposition parties won 47 percent of the vote, making them important components of the future political scene.

While the Socialist Party has effective control of parliament, the Union of Democratic Forces obtained 36 percent of the vote, putting it in a position to block any legislation requiring a two-thirds majority, such as economic changes and adoption of a new constitution.

Prime Minister Andrei Lukanov said he was confident of forming a government with broad support. But his chances remained uncertain because of opposition from Zhelyu Zhelev, leader of the 16-party Union of Democratic Forces.

Before the election, Mr. Zhelev had raised the possibility of a government of nonpolitical professionals, but he said this week that that

was only in the event of a hung parliament. With the Socialists having won a majority on their own, he said the option was no longer available.

Mr. Zhelev said he did not want responsibility for what he called the Socialists' economic blunders.

"We believe that after two or three months, when Bulgaria is in deeper crisis, the Communists will fall on their faces," he said. The Communist Party changed its name to the Socialist Party in April.

Mr. Zhelev said, however, that he would agree to cooperate with the government on the environment, which he described as "a national problem."

In an interview, Mr. Lukanov, an economist, said the Socialists intended to move "in the direction of a democratic European leftist party."

"The ideal solution for Bulgaria will be a stable center-left coalition," he said, forecasting that such an alignment "will enjoy for years, if not decades, the support of the majority."

Bulgaria's new government must first tackle the country's \$10 billion foreign debt, rising inflation and consumer goods shortages.

Official election results gave the Socialists 211 seats in the 400-seat parliament. The Union of Democratic Forces captured 144 seats, the ethnic Turkish Rights and Freedoms Movement won 23 seats, and the mainstream Agrarian Union 16. Smaller parties and independents won six seats. (AP, AFP)

\$6.5 Billion in India Aid

Reuters

PARIS — Western donors pledged to give India up to \$6.5 billion in aid in 1990-1991, an official said Tuesday after a meeting.

Bonn Parties Want All-German Vote Dec. 2 or 9

Reuters

BONN — Chancellor Helmut Kohl and his coalition partners agreed Tuesday that all-German elections should be held on Dec. 2 or 9 and that East-West reunification should occur immediately after the polls close, coalition sources said.

The coalition, meeting two days after East Germany flirted with the idea of announcing an instant merger, agreed that the elections

should replace the West German elections planned for Dec. 2.

Deputies from Mr. Kohl's Christian Democratic party and the Christian Democrat-led East German coalition agreed that the East could formally join West Germany immediately after polls close, a spokesman said.

"In East Germany, the German unity train has gained power and speed," Mr. Kohl said in a television interview Monday evening. "The will to clear things up as soon

as possible cannot be overlooked."

The two Germanys will merge their economies on July 1 under a treaty that their parliaments are due to ratify Thursday.

The three main parties in both Germanys — the Christian Democrats, Social Democrats and Free Democrats — announced plans Monday to merge their Eastern and Western wings in the fall.

The coalition sources said Bonn now had to coordinate its schedule for elections with the East German

government. The East German Social Democrats oppose early polls.

The Bonn coalition partners also called for East German state elections on Sept. 23 to restore the five traditional states abolished by the former Communist leadership.

Mr. Kohl said he wanted to have the question of a united Germany's military ties solved in time for a planned November summit meeting in Paris of the Conference on Security and Cooperation in Europe.

East Germans Arrest a 10th Terrorism Suspect From West

Compiled by Our Staff From Dispatches

BERLIN — East Germany said Tuesday that it had captured a West German suspected of involvement in the bombing of a U.S. air base, continuing a series of arrests of Red Army Faction suspects this month.

East Germany's interior minister, Peter-Michael Diestel, said a tip from a former member of the now-disbanded secret police had

led to the arrest of Henning Beer. Mr. Beer, 31, was arrested in the northern town of Neubrandenburg on Monday night, Mr. Diestel said.

A tip from the same person had led authorities to Silke Maier-Witt, whose arrest, also in Neubrandenburg, was announced late Monday, he said.

All 10 terrorism suspects captured in East Germany in the past two weeks had lived there for years

under protection of the former Communist regime.

Mr. Beer was wanted in connection with a bomb attack on the U.S. Air Force base at Ramstein in West Germany in 1981, in which 20 persons were injured. He is also suspected of involvement in a discotheque bombing in the Spanish port of Rota, where the United States has a naval base.

Miss Maier-Witt, 40, was sought

in connection with the 1977 kidnapping and murder of the head of the West German employers' federation, Hans-Martin Schleyer.

East Germany's new government has accused Erich Honecker, the deposed Communist leader, of sheltering fugitives as a political "hobby."

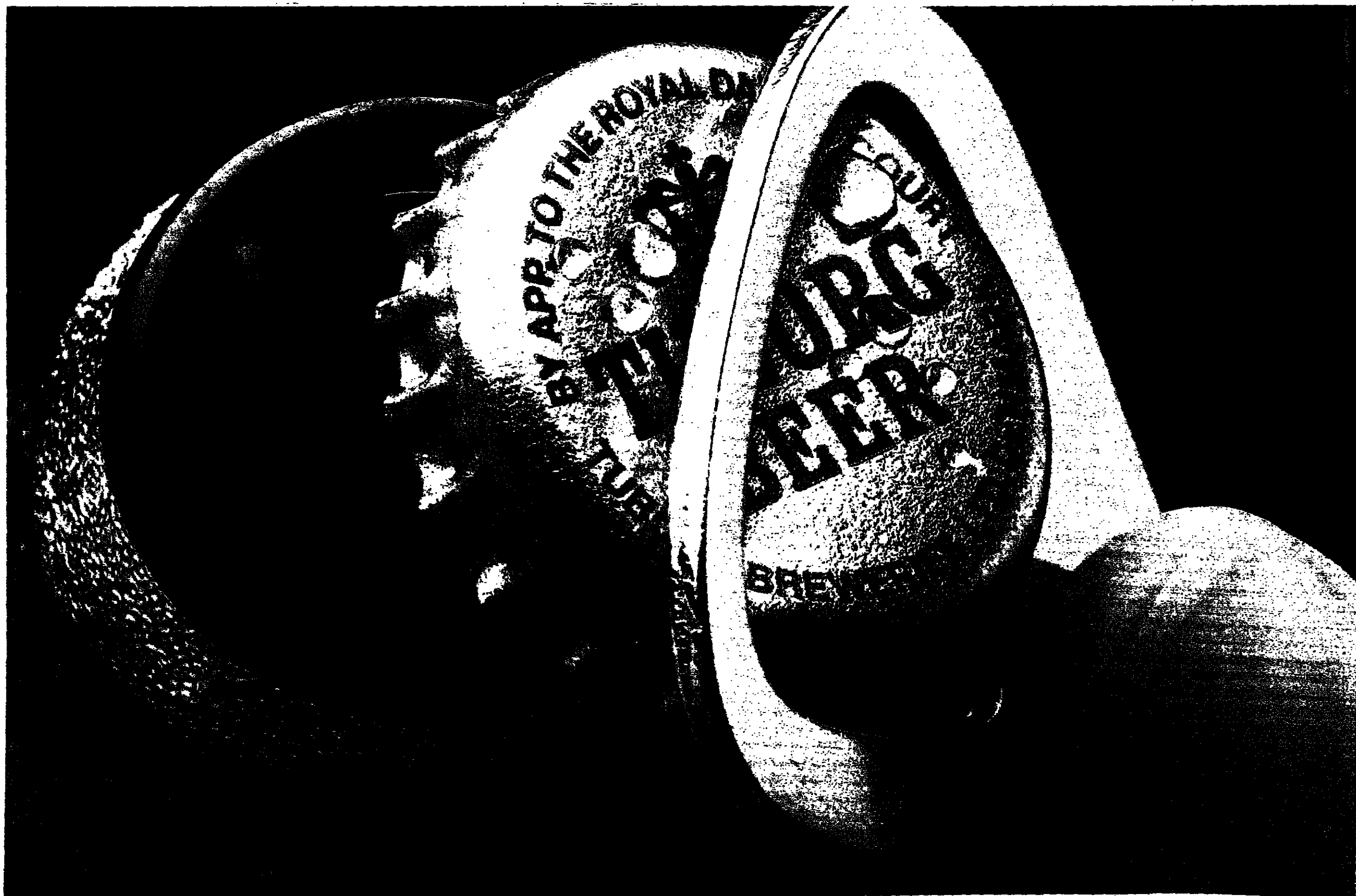
"In the guerrillas, they saw a certain parallel with their youth as Communist resistance fighters,"

Mr. Diestel said of Mr. Honecker and his security police chief, Erich Mielke, both of whom opposed Nazi rule as young men.

The leader of West Germany's opposition Social Democratic Party, Hans-Jochen Vogel, called Tuesday for further investigation of the former Communist regime, saying there were indications that some of the arrested suspects had committed attacks in West Germany after moving to the East.

The Red Army Faction has carried out bombings and assassinations in West Germany since the early 1970s, targeting North Atlantic Treaty Organization installations and leading politicians.

Death threats against East German leaders from telephone callers saying they represent the group have proliferated in response to the arrests. Mr. Diestel said special precautions were being taken. (Reuters, AP)



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Passengers going through police checks as they leave the hijacked Soviet jetliner in Helsinki.

Hijacker of Tu-134 Asks Finnish Asylum

HELSINKI — A lone Russian-speaking hijacker forced a Soviet airliner on Tuesday to land in Helsinki, where he surrendered to police and asked for asylum, Interior Minister Jarmo Rantanen said.

The Tu-134 airliner, carrying 55 passengers and 5 crewmen, was seized on a flight from Riga to Minsk in the Soviet Arctic. Aviation officials said that the hijacker had made a bomb threat, but the police found no explosives.

Mr. Rantanen said the Finnish government was considering the application for asylum by the hijacker, who was described as a young man. But he said Finland and the Soviet Union had an agreement to return offenders to their country of origin. The nationality of the hijacker has not been disclosed.

It was the second Soviet hijacking in 24 hours. A Soviet 12-seater single-engine plane was commandeered Monday from an airport near the border with Romania and flown to Turkey, where the pilot asked for asylum.

Bush, in Letter to Shamir, Questions Israel's Commitment to Peace Talks

By Ann Devroy
Washington Post Service
WASHINGTON — President George Bush, following up on a stern public message from Secretary of State James A. Baker 3d last week, has written a letter to Prime Minister Yitzhak Shamir, questioning the willingness of Israel's new conservative government to revive the Middle East peace process.

The White House spokesman, Martin Fitzwater, said the letter, sent recently, was both a congratulatory message on the formation of the government and a longer discussion of U.S.-Israeli relations.

Administration officials said Mr. Bush had restated U.S. commitment to a plan that Mr. Shamir espoused last year for the election of Palestinian representatives in the Israeli-occupied territories. But

Mr. Shamir vehemently opposes a formula proposed by Mr. Baker for opening Israeli-Palestinian talks.

U.S. frustration erupted publicly last week when Mr. Baker, appearing before a congressional committee, outlined steps that the Bush administration had taken and noted statements from the new Israeli government signaling opposition to the peace plan.

Giving the White House switchboard number, Mr. Baker admonished Israel, "When you are serious about peace, call us."

Israeli news reports quoted Mr. Shamir as saying Monday that Mr. Bush had asked "for replies and explanations about our path in the framework of the peace process."

In his 1989 initiative, Mr. Shamir proposed elections among Palestinian Arabs in the West Bank and

Gaza Strip to choose those who would negotiate with Israel over the conditions of a five-year limited self-rule. A second stage of talks would address an overall Israeli-Arab settlement.

Mr. Baker devised a formula to carry out the Shamir plan, and it was this formula to which Mr. Shamir objected. The Israeli government collapsed in March. The new government, formed last week, is considered the most conservative in Israel's 42-year history.

In an interview with the Knight-Ridder newspaper chain, Mr. Bush said he had given Mr. Shamir some "suggestions" that he hoped would clear the way for the resumption of peace talks, but he did not elaborate.

"We aren't going to pick up our marbles and go home," Mr. Bush said.

In the Eye of a 'Poll Tax' Storm

Thatcher's Point Man Is Viewed as a Future Tory Leader

By Craig R. Whitney
New York Times Service
LONDON — Christopher Patten, the British minister for the environment, is at the very center of the storm over Prime Minister Margaret Thatcher's local tax system, known as the "poll tax."

This is because local government finances, along with other matters like how to deal with global atmospheric warming and the protection of the ozone layer in the upper atmosphere, all come under his portfolio, and so part of his job now is to figure out how to make the tax, officially called the community charge, more palatable.

He thinks the worst is over, but said only half jokingly that if he had to do it again, "I'd make sure to volunteer somebody else for the job."

Although he has been in the post only a year, his political skill has added to his reputation, at 46, as one of his generation's most likely possible successors to Mrs. Thatcher as Conservative Party leader.

Another is the chancellor of the Exchequer, John Major, 47, with whom Mr. Patten is now reportedly engaged in a lively battle over how much central government money should be used to keep the unpopular tax from rising even higher next year than the current national average of \$612 a person.

Mr. Patten did not exactly volunteer. He was thrust into the job by Mrs. Thatcher in an extensive cabinet reshuffle a year ago, after having served three years as a minister for overseas development in the Foreign Office.

The prime minister reportedly wanted a more ingratiating personality than the crusty Nicholas Ridley to preside over the difficult issues of the privatization of Britain's 16 water companies and the introduction of the poll tax, which went into effect in England and Wales on April 1.

Some cynics argued then that what she really wanted was a scapegoat, picking Mr. Patten because he had dissented against government cuts in housing and unemployment benefits in the early 1980s.

Asked if he indeed had ever entertained the thought of trying to become prime minister after Mrs. Thatcher had left the scene, he lightly demurred that her departure was "unthinkable."

He thought a minute and then added: "The truth is, if you're a professional golfer, you want to win the Masters. At the same time, there may be others on the circuit who can probably hit the ball farther down the fairway."

He did not feel his Roman Catholic religion was a handicap, he said, although he reflected that the last Catholic with the power of a present-day British prime minister

had been Cardinal Thomas Wolsey, Henry VIII's lord chancellor, who was educated, like Mr. Patten, at Oxford. "And look what happened to him," Wolsey died in 1530 while on his way to face trial for treason.

The community charge could have been just as fatal. Replacing a tax on the assessed rental value of property that had been paid by only a minority of taxpayers, the new charge is paid by every man, woman, and child over 18 at rates set by local government authorities. It finances about a third of the cost of providing local services such as education and garbage collection, with the rest coming from business taxes and central government allocations.

While Mrs. Thatcher was under fire this spring for imposing the new system, local authorities, many of them controlled by the opposition Labor Party, increased spending by an average of 14 to 15 percent this year, Mr. Patten said. The prime minister appears to be confident that voters who think they are paying too much will eventually take out their ire on the local authorities who set the rates, instead of the government, but others are not so sure.

Mr. Patten said the "difficulty is the level — an average of \$60 a week" although the average rate of \$612 a person is partly rebated for 15.5 million low-income taxpayers. A court in London ruled last week that he had acted lawfully in April

when he imposed a ceiling on the community charges set by 21 local authorities.

He is also in charge of preparing a government white paper, or outline of policy, on environmental issues that is expected to play a major role in the next general election campaign a year or two from now. He will also preside from June 27 to 29 over an international conference in London on protecting the ozone layer.

Both he and Mrs. Thatcher pressed the White House to agree to set up a fund to help developing countries use substitutes for the industrial chemicals that are said to be destroying the ozone. U.S. refusal, Mr. Patten said, would have scuttled the conference. The United States agreed to support the measure Friday.

Red Cross Will Resume Relief Work in Ethiopia

GENEVA — The International Committee of the Red Cross is to resume operations in Ethiopia after an absence of two years, a spokesman said Tuesday.

The spokesman said the Red Cross would decide later whether to expand its assistance to nonmedical operations. The agency withdrew in June 1988 after the government ordered all foreign relief agencies to leave Eritrea and Tigre provinces, the base of the two insurgency movements.

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Mandela and Democracy

Nelson Mandela can expect a hero's welcome in the United States. He has earned it. Trained as a lawyer, he fought by legal means for years to undo South Africa's system of racial oppression, turning to armed struggle only when he found that other avenues had been blocked. In 27 years of prison, he managed to project a clarity of purpose and a personal disinterestedness that grew to mythic proportions and made him the natural leader of the African National Congress once President F. W. de Klerk, the whites' choice, decided to empower the black majority. Since his release in February, his evident openness to all races, his personal grace and his political touch have further come into view.

He is also a rather frail 71, a fact that his American handlers, overwhelmed as they are by demands to be in his charismatic presence, must duly respect.

Mr. Mandela's trip is being organized not just as the celebration of a notable man and a just cause but as a campaign to ensure that economic sanctions against South Africa are not eased until the ANC decides it has got the maximum bargaining advantage out of them. The issue is sharpened by the fact that the changes made so far by the South African government, although they unquestionably

leave a long way to go, are already putting Pretoria in range of the sanctions release terms written into American law.

Because of apartheid, the black community is still substantially fragmented and unorganized. As the ANC becomes better able to guide it internally, it will have less reason to rely on external sanctions as a negotiating tool — and more reason to weigh their economic impact on blacks. But at the moment, the black community depends on sanctions considerably. Mr. Mandela's views will serve as a developing American debate.

His views will also be attentively received on the subject of democracy. He obviously has a personal commitment. This must be set against the fact that the ANC in its long underground years leaned in other directions.

The organization has yet to demonstrate an incontrovertibly open attitude to dissent within its own ranks and competition from other black forces. In the struggle against apartheid during the years when the prospect of change was bleak, these considerations did not seem urgent. Now that South Africa is on the verge of multiracial constitutional talks to write a new political order, the question of democracy becomes central.

—THE WASHINGTON POST.

A Deal With Lithuania

The refusal of President George Bush to grandstand on Lithuania by beating Moscow publicly has been vindicated. President Mikhail Gorbachev eased economic pressure on Lithuania last week, and if Lithuania's parliament now suspends its declaration of independence, negotiations can start. That dialogue eventually should lead to restoration of Lithuania's sovereignty, but not without much tough bargaining.

Swift congressional approval of the newly signed trade agreement could make it easier for Mr. Gorbachev to cut a deal.

He has not wavered from saying he would negotiate on Lithuania's independence, but he wants to slow down that process, to give his reforms a chance to succeed. And he is not prepared to let Lithuania break free of the Soviet Union unilaterally, fearing that it would stoke secessionist fervor in other restful republics.

When the Lithuanian parliament declared independence in March and passed laws to carry it out, Mr. Gorbachev cut off most of the republic's oil and gas. When those sanctions are lifted, the two sides can begin bargaining — and it won't be easy.

Mr. Gorbachev has insisted that Vilnius adhere to a new law requiring a two-thirds vote of all residents for secession. That protects the rights of Russian and Polish minorities. Leaders of Lithuania cannot be certain of winning a two-thirds vote. And Estonia and Latvia, with larger Russian minorities, will be harder pressed to do so.

Mr. Gorbachev seems to be looking for a way around the law of secession. Specifically, he has said that talks with Lithuania could be completed within two years. This suggests that the procedures and timing of independence are negotiable.

Mr. Gorbachev needs no reminding that a crackdown on Lithuania or a slowdown on negotiations would jeopardize his reform efforts inside and outside the Soviet Union. He also knows that the granting of independence will not sit well with Russian nationalists and the Soviet military. The new U.S.-Soviet trade agreement gives him something to show for his efforts, a concrete demonstration that internal conciliation will bring external rewards. Mr. Bush understands that. Will Congress finally figure it out?

—THE NEW YORK TIMES.

Deficit Decision Time

The budget negotiators for the president and Congress will not reduce the deficit substantially unless they venture where the money is. There will have to be a sizable tax increase as well as spending cuts; the spending side of the budget cannot bear the burden alone. On the spending side, it is not just defense that needs to be addressed but also the net cost of Social Security.

Defense is a fourth of all spending. Social Security is a fifth. Together with interest on the debt they make up 60 percent of the budget. The rest — all other programs, from Medicare and Medicaid to farm supports and highway grants — would have to be cut by something like a third to bring the deficit to zero on its own. That neither will occur nor should. A Social Security cut would both reduce the pressure on the rest of the budget and legitimate cuts in other major benefit programs. If the elderly are contributing to deficit reduction, then other groups can be expected to do the same. If the elderly are not, then all groups have an out.

The budget negotiators all understand these outlines of the problem. But the politics of the dispiriting exercise have so far pointed in the opposite direction from the math. No one wants to be the first to do what everyone knows has to be done. Progress has been oblique at best, and the negotiators are running out of time. Among other things, if

Congress is to hit its election-year adjournment target, the appropriations process must begin soon — if not with the guidance of a budget agreement, then without it.

The politics can be balanced just as the budget can. The president can offer political cover on taxes just as the Democrats can on Social Security — if they will. The commonest proposal for cutting the cost of Social Security is a one-year suspension of the cost-of-living increase in benefits. The advantage of that is that it would let the negotiators suspend other indexing on both the tax and spending sides of the budget. The disadvantage is that it would hurt the poor as well as beneficiaries who could afford it. A better way to reduce the cost of Social Security would be to subject a larger share of benefits to the income tax. That would provide the protection for the poor (who generally owe no income tax) that an across-the-board reduction in benefits would not. But the dreary circling of the problem that has characterized the talks so far must end.

The next two weeks are crucial. After them will come time off for the Fourth of July, then just a few weeks until the planned August recess, then just a few weeks more until the planned early October adjournment. The longer they wait, the closer will be election day. It isn't going to get any easier.

—THE WASHINGTON POST.

Other Comment

This Germany Is Different

Nowadays everybody except the U.S.S.R. agrees that the idea of the neutralization of Germany or its secession from NATO is not only unreal but even dangerous. And, what is most important, Western countries are ready immediately after an agreement in Vienna is signed to start a new round of talks on further limitations in Europe, including the German army. In one word, a lot of it seems to be insisting upon are accepted readily. And, what is extremely important, NATO is changing itself. We should not draw parallels between present-day Germany and the Third Reich. We had Stalin much longer than they had Hitler.

—Sergei Blagovolin in Moscow News.

Sri Lanka After Lebanon?

The hope is that the [Tamil] Tiger leaders will honor their commitment to a cease-fire and restrain the more eager of their followers. While they can give a good account of themselves against the Sri Lankan security forces, they cannot realistically expect a conclusive victory. If they think territorial gains or successful attacks against govern-

ment positions will give them a stronger hand at subsequent negotiations, they are playing with fire, because it is unlikely the government will negotiate while it is under attack. Nor will the Sri Lankan armed forces remain muzzled for long.

The example of Lebanon provides a clear illustration of how atrocities piled on top of grudges and hatred, over a period of time, will develop a bloody logic or momentum of its own, scuttling the best of intentions to arrive at a settlement.

—New Straits Times (Kuala Lumpur).

Beware of Suicide Assistants

The idea that people have a right to decide they no longer want to stay alive has been gaining ground in recent years. Nevertheless, it comes as something of a shock to find someone volunteering to help people kill themselves. Dr. Jack Kevorkian has devised a kind of death device by which people can inject themselves with fatal doses of chemicals. We find the idea of suicide assistants dangerous. Helping people commit suicide is far different from just withholding life support systems. It amounts to taking part in an illegal execution.

—Sun-News (Las Cruces, New Mexico).

More to Remember Than National Lore

By Flora Lewis

PARIS — Thank heaven for recording tape. It was a German invention, used to allied disadvantage during World War II but quickly taken over when the chance came. If it didn't exist now, there would probably have been planes roaring past my window instead of recorded sounds of bombs and bombers to remind France of nights of war.

The occasion was the 50th anniversary of General Charles de Gaulle's "appeal of June 18," when he told France in 1940 that the war was not

More can be achieved by diligent commerce, by enlisting cooperation, by intelligent negotiation with due concern for needs of others, than by force.

lost despite imminent surrender of its armies and authorities. The speech, made in a small BBC studio in London and heard by few, cannot be replayed. It was never recorded.

But it was the centerpiece of remembrance on Monday of a man who kept pride alive for his country when all was defeat and despair. Memory does not reproduce itself, it needs to be sustained and it is necessarily selective. The courage of de Gaulle, the intuition of de Gaulle, the stubborn determination of de Gaulle to realize his "certain idea of France" is evoked now for the young and the future, not the misery of the time and the years that followed.

The noise of the bombers hinted at that, but there is no longer need to teach Europeans that

war is hell. They know it in their bones, a profound cultural change after millennia of seeking nobility and glory in conquest. The lesson has not spread everywhere, particularly through the Third World, which still has more to learn than the skill of producing wealth.

It isn't pacifism, turning the other cheek without resistance. But it is an understanding that more can be achieved by diligent commerce, by enlisting cooperation, by intelligent negotiation with due concern for needs of others, than by force. An interesting essay by Carl Kayser in International Security provides a cool analysis of the economic, sociological and political evolution that may well have made war obsolete in developed countries.

More than that, attitudes have caught up with these realities. Some soccer fans, it seems from riotous behavior at World Cup matches, still imagine that aggression honors their nations, but they are nobody's heroes.

Yet as Mr. Kayser notes, "the old ideas of military power and defense as the core of national sovereignty still carry great weight." Sorting out what most to remember about de Gaulle, his compatriots put great emphasis on the nation, the vision of something special that they have in common and that sets them apart from others.

Mr. Kayser points out: "The international system that relies on the national use of military force as the ultimate guarantor of security, and the threat of its use as the basis of order, is not the only possible one. To seek a different system with a more secure and a more humane basis for order is no longer the pursuit of an illusion, but a necessary effort toward a necessary goal."

I happened to be reading a Budapest journal called The New Hungarian Quarterly when the bomber tapes thundered outside in rehearsal of the June 18 ceremonies. With their new freedoms, a group of Hungarians spoke frankly about the ugly revival of anti-Semitism, an old, endemic plague in their country.

They talked about the idea of nation, which for them had been a political concept of realm encompassing an assortment of peoples but which became an idea of ethnic or race nation when the empire collapsed. A focus on "nation" can assemble, which was de Gaulle's purpose, but it also excludes and directs hostility to "the other."

The Hungarians discussed the advanced assimilation of Jews and their contribution to the country in the past, and then what they called "disillusion" as nationalist fervor waxed, with Nazi encouragement in the 1930s and the war years.

They never explained the phenomenon of anti-Semitism, although they dredged up a lot of circumstance. No one really has. But they came to the necessary conclusion that "a pluralism of traditions is possible," that their country must renew "that tolerance which was able to centuries to accept and integrate different loyalties, different opinions and traditions" in the community.

Antisemitism reinvented the past by the choice of what to remember, which is also a way of recommending choices for the present and the future. The French still have not come to psychological grips with the part of the past that included Philippe Pétain and the collaboration with the Nazis, which Charles de Gaulle fought. The Hungarians were trying to sort out their memories.

The nation exists, and cannot be denied, but is not a good enough answer for the challenges ahead. That, too, should be remembered.

The New York Times.

Northern Reactions to Germany Redux Are Mixed

By John C. Ausland

OSLO — Like the rest of us, Mikhael Gorbachev was taken by surprise by the breach of the Berlin Wall last Nov. 9. He has now caught his breath, and long-standing Soviet demands regarding German unification have re-emerged. In another effort to resolve these, the two German foreign ministers will meet with those from the victorious powers in Berlin on Friday.

Having fought my way from Norway to Sweden in Munich during World War II and spent a considerable portion of my adult life in the U.S. State Department working with German questions, I find myself not indifferent to what is happening. During my diplomatic career I repressed the feelings left by the war.

There was not only the death and destruction in a needless war precipitated by Germany. There was also a horrifying visit to a concentration camp shortly after our forces had overrun it. When I watched the scenes on television in Berlin after the opening of the wall, my feelings were mixed. On the one hand, I welcomed the elimination of this abomination and the lifting of the Communist yoke from the East Germans. On the other, I sensed that these events would reopen questions which lay dormant as long as Germany was divided.

The meeting of the foreign ministers in Berlin will be the first in that city since the 1954 four-power conference, which I attended as an adviser on Germany to John Foster Dulles. From the allied point of view, the purpose of that meeting was to demonstrate that the Soviets would not agree to free, all-German elections. The Federal Republic joined NATO the following year and began to rearm.

The difference now is that the Germans will be present at the table, and unification is under way.

The ostensible issue is one that Vyacheslav Molotov raised in 1954: Will a united Germany be free to join NATO? But the fundamental question is how to cope with the concern of Germany's neighbors that it not again become a military threat.

No one disputes that out loud in Scandinavia, but it is very much on people's minds. Feelings vary with experiences during World War II.

Norwegians began on April 9 a two-month commemoration of the 50th anniversary of the German conquest of Norway; inevitably, this has stirred memories of hostile feelings. Since Danish resistance to the Germans began only after several years of occupation, Danish memories are less bitter.

The Swedes have quite another problem. Their assistance to the Germans as long as Germany was winning has left an unresolved tension between them and the Danes and Norwegians.

Scandinavian reactions in the 1950s to rearming the Germans also differed. The Danes not only acquiesced but in effect turned their defense over to German forces in neighboring Schleswig-Holstein. Sweden stayed officially neutral but was not unhappy to have NATO at its back. Norway, as often, was ambivalent. It supported NATO membership but refused until recently to have German combat troops exercise in Norway. Ironically, the first such exercise took place in February, on the eve of the 50th anniversary of the German attack.

Taken by surprise by events, Scandinavians have not found it easy to

sort out their feelings. The Danish prime minister, Poul Schlüter, initially noted the concern of many Danes about having a united Germany on their doorstep. Soon, however, he adopted the NATO line that a united Germany was a positive step, provided it was a member of NATO.

A Norwegian opinion poll last year produced a mixed reaction. More than half of people with an opinion preferred a divided Germany. This feeling was stronger among older people than among the young, who tended to favor unification. Almost all adults I talk to now say it is inevitable, but none of them is cheering.

Given its policy of neutrality, the Swedish government can scarcely condone German membership in NATO. It therefore notes what is happening

and concentrates on sorting out its economic relationship with Germany and the European Community.

Thus far there has been little or no discussion of the problems which lie ahead. I have in mind first the question of limitations on force levels for a united Germany. It is noteworthy that none of Germany's NATO neighbors object to the Soviet's running interference for them on this subject.

Another question is how long U.S. forces can remain in Germany. When the American public finds that the Germans are subsidizing Soviet forces in eastern Germany, how long will it be willing to spend a fortune on U.S. forces in western Germany? Once Soviet troops have withdrawn, how long will Germans want U.S. and other allied forces on their soil?

Finally, there is the ultimate question of what to do about nuclear weapons. Germans finally understand that they live on the targets of the U.S. nuclear weapons that West German governments have considered essential to deterring a Soviet attack. At some point there will be an unpleasant debate on this question in Germany that will produce a crisis in the alliance.

After surviving the threadbare '30s, a brutal war and a stressful Cold War, I am optimistic that the West can cope with these problems. We must, however, reconcile ourselves to a long period of instability in Europe, particularly given the uncertainty about what is happening in the Soviet Union.

No one has come up with a better short-term security guarantee than NATO. It is, however, a mistake to see NATO as a long-term pacifier of anxieties about Germany. Only the Germans can quiet these.

International Herald Tribune.

Germany, Yes and No

I AM convinced of the irreversibility of German reunification. All you need to do is open your eyes to see it. Clearly, though, this must not mean a return of the prewar triangle of Russia, Germany and all-the-others. Germany must not be forced to choose between reunification and the European Community, a strong Germany should exist in a strong Europe. That way, reunited Germany will be a boon for the Community. I also hope that France will conduct a genuine Mediterranean policy that helps to shift Europe's center of gravity southward.

—François Léotard, a leader of the French opposition, commenting in his newsletter France Enterprise.

Education: Degrees of Inadequacy

By Robert J. Samuelson

WASHINGTON — Here is one message that American college seniors will not hear from graduation speakers: "Higher education" is a scam. The country has plenty of superb colleges and universities, and many students get excellent educations, but on the whole American colleges are educationally undermanned and economically wasteful. They are a symptom of low educational standards — and a main cause.

Two-thirds of college faculty members say that their schools increasingly teach what students should have learned in high school. Students do not disagree. About 40 percent of incoming freshmen say their main reason for going to college is to improve "reading and study skills." In 1971, 22 percent said so.

The value of many degrees is suspect. Nearly 30 percent of bachelor's degrees are in "business" or "communications," double the rate of 20 years ago. These degrees rarely make significant intellectual demands on students or provide important technical skills. Few college or university leaders will discuss these problems candidly. Derek Bok, the president of Harvard, wrote a 15,000-word report on U.S. higher education without mentioning any of the facts listed above. College leaders see themselves as the victims of poor high schools. This rationalization is at least half backward.

Low high school and college academic standards feed on each other. In American society the badge of successfully completing high school is not just a degree but the ability to go to college — and almost anyone can do so. The country has about 3,600 colleges and universities. Of these, perhaps 200 are truly selective in the sense that they reject applicants. Small wonder that the average high school senior does less than an hour of daily homework.

"Adolescents are like adults," writes Albert Shanker, head of the American Federation of Teachers. "They do as much as they have to in order to get what they want. The young people who want to go to elite [schools] must meet high standards, and they work hard. But the rest of high school students know they can get into some



college no matter how poorly they do."

In trying to give more Americans more education, we have made college into a lottery. In the current school year, the United States spent about 60 percent of high school graduates go on to some college. Roughly three-quarters of these go to state schools, where tuition covers only about 20 percent of educational costs. State legislatures provide most of the rest. Federally guaranteed loans and grants broaden the subsidies. In 1988 these totaled about \$19 billion.

Most colleges are obsessed with surviving. They subtly lower academic standards to ensure the flow of students and subsidies. Paradoxically, this abets tuition inflation at better schools. People who want quality, or the image of quality, have fewer choices. Not surprisingly, tuition at prestige universities has risen much faster than inflation in the 1980s.

This situation is easy to change. A federal loan is the ticket to college for many students. Loan applicants could be required to pass a test showing that they can do 12th-grade work. Only students who can handle college should go to college. States could shut down 10 to 20 percent of their colleges campuses, so that schools would not continually scrounge for students. States could also sharply raise tuition and couple the increases with big boosts in scholarships. But to keep scholarships, students would have to maintain a C average.

These measures would instantly improve high schools. The top (or bottom) 10 to 20 percent of students might not be affected, but students in the middle would react to the threat of not being able to go to college; they

would study more. Parents would take more interest in schools. We would see a pressure to overhaul in school resources and rules. In the end, the number of college graduates would not drop, and it might rise. Fewer freshmen might be admitted, but they would be better prepared.

America will not, of course, do these sensible things. Any politician brave enough to suggest them would be accused of making colleges too elitist and restrictive. People prefer to maintain poor high schools and colleges that everyone can attend than to have good schools that might benefit most students. They prefer to complain about "underinvestment" in education rather than face the question of why enormous investment in education produces such poor results.

Higher education now accounts for 40 percent of all U.S. educational spending, \$259 billion in the current school year. The country would be better off in countless ways if less were spent on colleges and more on helping the poorest students in public primary and secondary schools.

But the basic problems of America's educational system cannot be cured by money, educational reorganization or new teaching theories. "Reforms" can't succeed unless students work harder. Casual attitudes toward learning discourage serious students and dedicated teachers.

The trouble is that most students will not work harder unless they think they must. If most colleges have low standards, so will most high schools. Students will perform as poorly as they are expected to. How poorly? Of Americans aged 21 to 25 with only a

high school degree, less than 60 percent read at an 11th-grade level. Of those with a college degree, only four-fifths read at an 11th-grade level.

Americans are engaged in a costly charade. More and more degrees are passed out with less and less meaning. The ultimate victims are children. Pretending that they are learning will not help later in life, when either they will know it or they won't.

The Washington Post.

100, 75 AND 50 YEARS AGO

1890: Fear of Cholera

PARIS — The Paris atmosphere is laden with cholera. Steps have been taken by the government to prevent cholera being imported across the Pyrenees. Disinfecting apparatus has been sent to all stations on the Spanish frontier. President Carnot has signed a decree forbidding the importation of fruit and vegetables from Spain. Regulations made during the 1884 and 1886 epidemics at all French, Algerian and Tunisian ports have again been put into force.

1915: Russia on the Line

LONDON — The Russians are back at the Grudek line, where the Austrians gave way last September, and are prepared to make their last stand to save Lov. The battle now beginning covers a front of nearly sixty miles, from the Russian frontier to the marshes of the Dniester. The fate of the Galician capital depends upon Russia's capacity to hold this line.

Sanctions Won't Help Romania

By Daniel N. Nelson

WASHINGTON — Following last week's vigilante rampage by miners in Bucharest, calls have gone out for a suspension of aid and trade concessions to the Romanian government. Such measures would only make a difficult situation worse.

What happened in Bucharest was, in one sense, predictable. Any government — even an established democracy — might resort to renege the capital city's central square for two months. And, in a country where tolerance of those who protest, and trust in those with power, are rare, every issue becomes volatile.

President Ion Iliescu and his advisers had discussed the need to move protesters out of University Square in April. They decided to wait until after the May 20 election, to see if the protesters would accept the results and disband gradually and quietly.

They did not. Mr. Iliescu then ordered the uniformed police to clear the square June 13. The arrests, and the rough physical treatment by police, provoked thousands of protesters to attack government targets such as the headquarters of Romanian radio and television and the Foreign Ministry (where Mr. Iliescu has his office). Army troops apparently resorted to gunfire, and several people were killed.

As viewed from the Foreign Ministry building, there must have been a number of hours when it seemed as if the popularly elected government was to be overthrown. It was later argued by Ion Pasu, an adviser to Mr. Iliescu, that the army was reluctant to respond to the government's appeals for troops and that the regular police were nowhere to be found.

Mr. Iliescu's "control" of key institutions such as the army, police and bureaucracy is very limited. In the provinces, the National Salvation Front exercises little or no control over its own supporters. The national and local bureaucracies, virtually untouchable until after the election, have yet to be tamed.

The army is loath to confront students and other civilians. Indeed, top officers very likely conspired with Mr. Iliescu that beyond defending key government buildings, the army would leave the task of maintaining order to the government.

Thus, that Mr. Iliescu issued an appeal for citizens' defense of the government is explicable if not excusable. Industrial workers, including miners, are one stratum in which Mr. Iliescu enjoys unwavering support. His Communist past does not bother most workers, but the fear of unemployment does — and the Front has gained workers' allegiance by guaranteeing a slow economic transition toward a market economy.

And there is no love lost between workers and the urban intelligentsia, an old class division that the Communist era did nothing to dispel.

This, then, was the action of a nervous government that does not know — and may never learn — the language and behavior of a tolerant, pluralist democracy. But we should not forget that Mr. Iliescu was elected in a reasonably correct vote after a campaign that was not perfect, was far more open than anything Romania had known for 50 years. Having won the support of more than 80 percent of voters, Mr. Iliescu thinks he has a mandate to govern without challenges.

Should the Bush administration — which largely ignored the Beijing massacre and provided most-favored-nation trading status to China, and which accepts quietly the widespread lethal force used by the KGB and Soviet Army in the Caucasus and Central Asia — penalize the Romanian government as Stalinist?

Principles and moral standards are difficult to identify in international relations. Yet, if the United States is going to criticize governments for suppression of dissent and "vigilante violence," then the Bush administration's quiescence about Israeli policies in the occupied territories should be reassessed, and relations with China should be diminished.

Of course, according to Western values, Mr. Iliescu should have let the demonstrations go on. Now his government is besieged by criticism, chances of constructive dialogue with opposition parties have been damaged and the recently gained electoral legitimacy may have been weakened. Romania's prognosis, and democracy's chances, were not helped by these events. They will be no better served by international reprisals.

The writer is senior associate at the Carnegie Endowment for International Peace. He contributed this comment to The New York Times.

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By Anthony Lewis

personalities," the governor said. "It is about Israel herself. It is about Israel's survival"

"The weak support for Likud policies is in fact weak support for the underlying policies that Israeli governments have evolved over a period of time, going back essentially to the 1967 war."

Is it possible that Mr. Cuomo sees no difference in Mr. Shamir's policies? For 40 years Israel held itself open to negotiate with any Arab partner. Mr. Shamir has turned away from that path, putting up one objection after another to talks with Palestinians and listening only to the PLO.

The new Shamir government is pledged to build more Jewish settlements in the occupied West Bank and Gaza. It includes extremist parties that want to expel the 800,000 Palestinian residents from the West Bank.

that Soviet immigrants would not be settled in the occupied territories. Every U.S. government since 1967 has opposed such settlements. Does Mr. Cioemo want to retreat from that policy? From the U.S. commitment to United Nations Resolution 242, which calls for Israeli withdrawal from the occupied territories in return for peace and secure borders?

from people still committed to the destruction of Israel." In fact, the Bush policy was devoted to getting talks going between Israel and a Palestinian delegation that Israel itself would have to prove. It was an attempt to carry out Mr. Shamir's own plan for talks — which Mr. Shamir then killed.

In America it is normal, and fair, for a politician to identify with the dreams of different ethnic groups. To ponder to extreme nationalist emotions is another matter. In fact, the leading American Jewish organizations do not agree with Mr. Cuomo. They are extremely anxious about the power of the far right and religious fundamentalists in the new Israeli government. They oppose the policies of settlement and permanent occupation. They hope that somehow the peace process can be revived.

Mr. Cuomo should beware of talking loosely on a subject of which he knows so little. Ranting does not become him.

The New York Times.

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self-determination for the Baltics. We the people of the Pacific demand no less

10,000 volunteers worldwide, or for political reasons. In some countries there is an overabundance of volunteers, who require more personal support than the administration is capable of giving. This results in a high number of early termi-

KEITH G. HOEKEMA.
Rami Martin, Director

Credit the Vargas Llosas

tributing relief supplies to earthquake victims in Rioja. But the word "PAS," clearly marked on the boxes in the picture, refers to the emergency social pro-

gram of Mario Vargas Llosa, then still presidential candidate; his wife was in charge of distributing these supplies.

URSULA B. de TEALDO.
Sestri, Italy.

Why Did It Take So Long?

Regarding "The Trump Question Now: Was He Ever That Clever?" (Business

Now? Why only "now"? Donald Trump is what he always was: a snake-oil salesman. The real question is, when

No, Trump wasn't clever. But that the others were that dumb, incompetent

HERMAN ARCHER.
Cairo.

By Henry Louis Gates Jr.

sex but have used elaborate subterfuges to convey that fact. 2 Live Crew uses Anglo-Saxon words and is self-conscious about it: A parody of a white voice in one song refers to "private personal parts," as a coy counterpart to the group's bluntness.

Much more troubling than its so-called obscenity is the group's overt sexism. Their sexism is so flagrant, however, that it almost cancels itself out in hyperbolic war between the sexes. In this, it recalls the intersexual jousting in Zora Neale Hurston's novels. Still, many of us look to the emergence of

many of us look to the emergence of more female rappers to redress sexual stereotypes. And we must not allow ourselves to sentimentalize street culture: the appreciation of verbal virtuosity does not lessen one's obligation to criti-

Is 2 Live Crew more "obscene" than say, the comic Andrew Dice Clay? Clearly, this rap group is seen as more threatening than the comedian, but is it any less

ening than others that are just as sexual
explicit. Can this be completely unrelated
to the specter of the young black male as
a figure of sexual and social disruption
the very stereotypes 2 Live Crew seem

This question — and the very large question of obscenity and the First Amendment — cannot even be addressed until those who would answer them be

come literate in the vernacular tradition of black Americans. To do less is to censor through the equivalent of intellectual prior restraint — and censorship is to get what lurching is to justice.

The writer is a professor of English at Duke University and author of "The Signifying Monkey." He contributed this article to *The New York Times*.

Nasty, Not Obscene

THE RAP music group 2 Live Crew is in the toils of Florida law for its record album "Nasty as They Wanna Be." If mere offensive talk were a crime,

the record's self-styled vulgar lyrics would be criminal. But the charge is obscenity, which has two other elements: U.S. law: an appeal to prurient interest and lack of serious artistic value.

It is not easy to imagine that jurors would detect anything arousing in the album's vile references to sex, insults to women and dirty nursery rhymes.

Florida judge's] 62-page opinion which failed to show how sexual references, repeated to a rap beat, could stir much lust as opposed to anger, boredom or disgust. As for artistic value, the history

As for artistic value, the history of music is the story of innovative, even outrageous styles that interacted, adapted and became mainstream. Officials should hesitate before striking down a cultural

phenomenon they don't fully understand
— From a New York Times editorial.

June 19, 1890

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LONDON THEATER

Behind the Bucolic Ivy: Decay, Dread and Doubt

By Sheridan Morley
International Herald Tribune

LONDON — English dramatists have always had an uneasy relationship with Chekhov, though not, it could be argued, half as uneasy as that of English actors, who are still uncertain of the Moscow Art traditions of black farce.

In the 1950s, the Haymarket playwright N.C. Hunter was forever writing of the decline of the middle classes in dramas like "A Day by the Sea" that were always described in either admiration or demolition as "English Chekhov," rather as though there lurked somewhere in Leningrad the Russian Terence Rattigan, forever writing of anguished, gay Soviet schoolmasters.

But even Noel Coward turned, late on the typewriter, to "Waiting on the Wings," a richly Chekhovian piece about a nursing home for elderly actresses. Now Simon Gray, hitherto our best chronicler of Hampstead publishers in midlife crisis, turns up at the Vaunderville with a Devonian "Cherry Orchard" of his own special planting.

"Hidden Laughter," which takes its title from a T.S. Eliot stanza in "Burnt Norton" about "the waste, sad time," is in one sense the story of a house across the last decade. A "For Sale" board marks its opening and closing, while three intervening scenes allow us to trace what has happened in the 1980s to a London couple, he a literary agent and she an aspiring novelist, who come to the cottage full of youth and hope and leave 10 years later in decay, dread and doubt.

The play is a vision of country life in awful ferocity, with blood and death and madness behind the creepers of ivy and beneath the neat lawn.

UT it is also about the nature of goodness, as personified by Peter Barkworth in a superbly bumbling and reticent performance as the local vicar, whose own often submerged, doubtful, confused but nonetheless sincere Christianity merely serves to highlight the lack of it in those he most wishes to serve but to whom he often does the most inadvertent spiritual damage. Simon Gray's own production is studded with great performances: Richard Vernon as the semi-detached grandfather, in mourning not only for a recently dead wife, but also for his own life; Felicity Kendal as the novelist wife, retreating to the typewriter to avoid the reality of her husband's increasing infidelities around the office; Samuel West as the son, physically and mentally wounded by an apparently docile countryside; Kevin McNally as the agent, tortured by his own arrival at middle age.

This is a comedy about people whose lives are a tragedy. In territory already well-farmed over here by Ayckbourn, Mr. Gray has found something altogether less personal and more historical, a kind of epitaph for the egocentric '80s that contrasts the rustic dreams of country life with the awful reality of marital death. "Nothing happens in the country except trouble," says one character, overcome with social embarrassment just as the cottage is overcome with wistfulness and hysteria.

Fear arrives with every twilight, and we are left in an English country garden with death and destruction and betrayal and infidelity: what Mr. Gray is telling us, among much else, is that rustic health warnings should be sent out with real-estate agents' particulars of picturesque properties on the market.

At the Young Vic, Vanessa Redgrave's daughter Natasha Richardson continues a family tradition of rare O'Neill revivals on that stage by starring in David Thacker's new production of "Anna Christie," the 1921 script that gave us both the Garbo movie and, more surprisingly perhaps, a Gwen Verdon-Bob Fosse musical called "New Girl in Town."

When it first opened on Broadway, a British merchant marine captain told The New York Times



Felicity Kendal, Peter Barkworth in "Hidden Laughter."

that "Anna Christie" was "the first play to bring the sea to the boards," and at its heart is the old-devil ocean constantly referred to by Anna's coal-barge captain father, played here in a performance of considerable Learlike majesty by John Woodvine. But the play has always hovered dangerously on the borderlines of melodrama, as Anna finds a landlubber's redemption in true love while her squabbling father and fiancée find they have signed for the same voyage.

Frequently one finds oneself reverently and unhistorically wishing they would all go by plane, thereby avoiding the angst and the agony that marine life clearly imposes on its sailors.

O'NEILL's love-hate relationship with the ocean is well caught here by the two men in Anna's life, while Maylene Yates wonderfully, if all too briefly, brings to stage the old Marie Dressler role of the aging dockside prostitute leaving the captain to the puerile love of his own daughter.

Miss Richardson has moments of fiery splendor in the title role, but seems still a little uncertain of the script's melodramatic minefield. Both performance and play are the work of people whose full control of their own theatricality is still some way ahead of them, and the result is clumsy, raw and juvenile, but waywardly compelling.

BUCHWALD
IN THE HIT TV
TUESDAY AND THURSDAY
INCOMPARABLE BARRIS FROM
AMERICA'S FOREMOST HUMORIST

By Francis X. Clines
New York Times Service

MOSCOW — In his iron-fisted direction of the Bolshoi Ballet, Yuri Grigorovich has wrestled muse and Communist Party hack with equal virtuosity over the years, and the world has often savored the results.

But now, like so many other national institutions, even the Bolshoi Theater is taking its glumest lumps. Most recently there has been an unusual one-day hunger strike by six Bolshoi artists willing to go public with their complaints. The theater houses both opera and ballet companies, but the dance troupe is by far the better known outside the Soviet Union, and Grigorovich's power at the Bolshoi is believed to be considerable, transcending purely dance matters.

On the ballet side, criticism of Grigorovich's direction has existed for years. He dismisses it as the underhanded work of a few renegades coming forth in more outspoken times. He otherwise declines to comment.

But the cultural furor simmers over backstage politics and onstage aesthetics as artists continue to leave. Most recent was the decision by Irak Mukhamedov, a Bolshoi star who had been loyal to Grigorovich, to join the Royal Ballet in London, reducing his ties to the Bolshoi to an occasional guest appearance.

"He has done no new ballets for eight years and drives out the great artists like Vasiliev and Maximova," Yuri Grigorovich of the Bolshoi's opera company said about Grigorovich. Grigorovich, a barrel-chested bass soloist who is also the company's increasingly active labor leader, was speaking of the renowned husband-wife dance team, Vladimir Vasiliev and Yekaterina Maximova, now 50 and 51 years old and dancing less than previously. Grigorovich also was rejected in a recent talent review conducted at the theater.

Vasiliev, at the Stanislavsky Theater choreographing a new version of Prokofiev's "Romeo and Juliet," talked more in mourning than anger at what he described as the degeneration of the company through Grigorovich's shift of focus from the pure creativity that earned him his reputation in the 1960s to the autocratic management that is his current trademark.

"Now the situation is not critical; it is catastrophic," Vasiliev declared, saying that artists must speak out on the situation if the Bolshoi is to rebuild its reputation.

Ballet, he said, is a field that needs the occasional despotic director, but only that rare sort who can demand the best work and not mere obedience, from such a large gathering of talent as the Bolshoi. Such Bolshoi artists as the dancers Andriy Lipa and Vitaly and Alla Artyushkina and the opera singers Vladimir Pyskov and Lyudmila Shevchuk have been among several dozen performers to leave in recent years. The dancer Mikhail

Lavrovsky said he had to leave because the Bolshoi "turned into a kind of one-man show."

Dancers who stay complain that they draw less performing time the more they differ with Grigorovich and that they now are put through a new talent review process controlled by the theater management rather than by artistic peers.

Vasiliev, the company's outstanding male star for more than two decades, wistfully observes that the one salvation for any embattled artist is his art, and Grigorovich might yet return to his strength and produce some grand new ballet to confound critics. Grigorovich came to prominence in the late '50s as chief choreographer and artistic director of the Kirov Ballet in Leningrad, before being brought to the Bolshoi in 1964.

This ambitious deal seems to be

part of the general awakening to enterprise and the search for foreign currency that has begun in these hard Soviet times. But critics say it amounts to cultural colonialism by the Western entertainment industry.

There has always been a veritable corps of party bureaucrats backstage, skilled in the Soviet art of securing prime apartments, cars and other perquisites. Grigorovich's early talents included containing such party vulgarities. Paradoxically, dissident artists in the Bolshoi troupes are now relying on a remnant of the eroded party apparatus, led by Grigorovich, for their collective defense and hunger-strike gambits.

"The saddest part of this is that nobody wants to deal with the

problem at the top levels of power," Vasiliev said.

Long-Standing Conflict

Strife between Grigorovich and some leading dancers at the Bolshoi has been widely known in the ballet world for years, David Stevens of the International Herald Tribune writes.

In 1979, a large fragment of the Bolshoi Ballet gave what seemed to be an official unofficial season in Paris. A troupe headed by Vasiliev, Maximova, Maya Plisetskaya and Marius Lape (father of Andriy Lipa) performed works choreographed by Vasiliev and by Western choreographers for Plisetskaya. Neither Grigorovich nor his wife, the Bolshoi ballerina Natalya Bessmertnova, were on hand, nor did the repertoire include the classics of the "official" repertoire.

Also, 1979 marked the end of the Bolshoi's apparent immunity from defections. Until then the major defections had come from the Kirov—Rudolf Nureyev (1961), Natalia Makarova (1970) and Mikhail Baryshnikov (1974). But in September, 1979, three dancers—Alexander Godunov and Leonid and Valentina Koslov—defected during a Bolshoi tour of the United States. The Koslovs are now with the New York City Ballet.

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Yuri Grigorovich, the Bolshoi Ballet's artistic director; at left, Maria Bylova and Leonid Nikonov rehearse during the company's 1986 London visit.

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OFFSTAGE

Striking Up the Bands for the Paris Solstice

By Mike Zwerin
International Herald Tribune

PARIS — A group playing traditional Chinese music is followed by a jazz band on a makeshift stage between a boudoir and a bistro. The fingering technique of each group's flutist differs; later they compare notes. In a park across town, a military band in full-dress uniforms plays Benny Goodman arrangements after a performance by 12 African drummers, then they combine forces. In the 11th arron-

dissement, the women who on other days complain about the noise they make dances to reggae played by local kids.

Paris is never more of a movable feast than on the summer solstice, June 21, which was proclaimed Fête de la Musique in 1982 by Culture Minister Jack Lang.

Thursday's should be the biggest yet, with 300 officially designated stages in Paris alone, mostly outdoors, plus all the unofficial ones. Nobody has bothered to count them in the provinces. The fête went international in 1985, which was European Music Year. The idea has since spread to 62 foreign cities, mostly in Africa and South America, and this year it includes Prague and Moscow for the first time. Lang is visiting Moscow for the occasion.

Starting at sunrise and ending far into the night, big stages like the one in Place de la Bastille will feature big groups like Kassav, while weekend Segovias play Bach on guitars down side streets, street-sweepers pluck one-string broom-

stick basses on small squares and string quartets and beboppers perform in churches, hospitals, schools, cultural centers and the métro.

The Fête de la Musique's three basic principles are explained by Dominique Delord, the only ministry employee working on it year-round: "Professionals and amateurs play together, all styles mix, and nobody gets paid. At least we pay nobody. If a group can get money from a corporation, more power to them. We have nothing to do with that. It's very unstructured. All we do is organize, coordinate and promote."

THE ministry's 2 million franc (\$350,000) budget covers communication, badges, leaflets, T-shirts, radio jingles, posters and so on. Public partners (Radio France, the Ministry of Defense, the post office, etc.) and private sponsors (Ricard and Radio Sham, for example) help. In addition to a good

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MEDIA MARKETS

Castro and Cronies Help Ad Agency Win Award

By Bruce Horowitz

Los Angeles Times Service

LOS ANGELES — Unwitting Communist leaders walked away Monday evening with perhaps the premier prize in capitalism: the Clio Award for the best national TV ad campaign at the awards ceremony, the advertising industry's equivalent of the Oscars, held at New York's Lincoln Center.

The prize went to three spots for Stroh's Light beer that feature cleverly dubbed newsreel footage of Fidel Castro, Daniel Ortega and Nikita Khrushchev. The ads were created by the San Francisco ad agency Hal Riney & Partners.

The outcome was allegedly not a Communist plot. Credit, instead, must go to pinpoint editing and Madison Avenue hocus-pocus, which makes the Communist leaders appear to be discussing their desires to obtain Stroh's Light beer. These words are dubbed into the mouth of an angry Fidel Castro: "We're only 90 miles away and we can't even get a decent beer." And an interpreter-aide Khrushchev says in broken English that Stroh's Light is even better than vodka.

The ads were broadcast primarily in the Midwest and were supposed to be a small part of a larger campaign, but ran for four months last year. "They generated a lot of awareness," said Peter Cline, senior vice president of sales at Stroh's Brewing Co. "Of course, we got several complaints from people who felt this wasn't the proper way to sell beer."

Proper or not, it quickly caught consumer attention. The campaign was the brainchild of Paul Mimiga, senior vice president at Hal Riney. He said he was influenced by the 1966 Woody Allen film, "What's Up Tiger Lily?" a low-grade Japanese spy film dubbed to become the story of a Japanese James Bond who is searching for the world's greatest egg salad recipe.

"We wanted celebrities, but the client couldn't afford them," Mr. Mimiga said. "Besides, it's hard to get celebrities to say what you want."

Instead, the agency went sifting through stock news footage of various political leaders. "We specifically chose celebrities we knew we wouldn't have to pay," said Mr. Mimiga, whose voice is used in all the spots.

THE COST of the three winning ads: less than \$10,000 each. That's a fraction of the \$250,000 or so that a typical U.S. TV ad for national distribution costs these days.

Far more expensive — more than \$300,000 — was the ad for Honda Accord, created by the Los Angeles agency Rubin Postner & Associates. It won three Clios. In the ad, a visitor is so enamored of a car hanging on a wall at an art gallery that he steps in and drives it off.

Perhaps not entirely by coincidence, Accord became the best-selling nameplate in America last year — the first time a Japanese car had accomplished that feat. "Did that one do it in isolation?" said Gerrold R. Rubin, president of the agency. "Of course not. But combined with our other commercials, we think the campaign had some impact."

No agency had more impact on this year's competition than BBDO Worldwide. The agency won six Clio awards. It won for ads created for four different clients, including a Pizza Hut spot that features an absent-minded Little League, and a Diet Pepsi ad in which a monkey uses a Diet Pepsi can to communicate with a researcher.

In pure quantity, it was something of an off-year for the contest, which in a slumping economy received fewer than 10,000 entries in the TV commercial category — about 1,500 fewer than the year before. But in quality, the Clio chairman, Bill Evans, said, the entries hadn't been this good in years. "The dust of the agency mega-mergers has all settled," Mr. Evans said. "Agencies can now worry about their clients, instead of who is trying to purchase them."

In cleverly dubbed newsreel footage, the dictators appear to be singing the praises of Stroh's beer.

More Defense Cuts Seen as U.K. Drops Jet Order

By Leigh Bruce

International Herald Tribune

LONDON — The surprise announcement Monday evening that the British government was canceling a \$530 billion (£930 million) order for 33 Tornado jets is only the first of a probable long series of jobs for defense contractors, analysts and executives said.

Further deep cuts in defense spending, in Britain and elsewhere in the West, as a result of the so-called peace dividend due to the reduced danger from the Warsaw Pact, may pose a severe threat to the competitiveness of some of the country's most important electronics and engineering firms, the analysts said.

Other Western countries — especially the United States and France, which have high levels of defense spending as a percentage of gross domestic product — also face tough retrenchment and the short-term loss of thousands of jobs.

More serious, say the analysts, is the potential longer-term impact on the economies of these countries if strategic firms fail to make the transition to commercially driven, civilian firms.

"The impact could be difficult to absorb unless they can shift quickly to new products and markets, which is extremely difficult," said analyst Bruce McIntyre of Hoare Govett in London.

In Britain the electronics industry, already weak internationally, depends on defense for as much as 30 percent of its total revenues.

The Tornado decision comes on top of a previously mandated £350 million savings, an existing freeze on all new defense spending and defense reviews in other major Western countries where British firms have cooperation agreements or export contracts. Moreover, British defense spending has decreased by 1 percent to 2 percent in real terms annually since 1985.

Though most analysts appear confident that the jolt can be restricted to the individual companies involved without harming the economy, they do express worry that a lack of government help in the transition could hurt competitiveness in some areas.

"The British government believes companies must fend for themselves, so the problems could be difficult," said Paul Dunne of Cambridge University.

The analysts added that defense spending cuts in Britain were likely to be matched by other Western countries, diminishing export markets and intensifying competition among contractors for markets worldwide.

As a result, the analysts and executives expect the already established trends toward restructuring, cross-border link-ups and diversification among defense contractors to accelerate.

Mr. McIntyre of Hoare Govett said, "It is very difficult to shift from defense to civil technology." He pointed out that defense contractors face "no cost constraints, a single customer and small volumes."

What impact the cuts might have on the British economy more generally is a matter of some debate among the analysts. Many believe lower defense spending will have a positive impact on the economy.

A recent study for Cambridge Econometrics estimated that a 50 percent real cut in defense spending by 2000 could increase GDP by 2 percent and cut unemployment by 500,000 if the entire peace dividend is reinvested into the civilian economy.

If the peace dividend were not reinvested, however, GDP would decline by 3.5 percent and unemployment would rise by 500,000, the study said.

EC Seen In Accord On Autos

Japanese Face 5-Year Transition

Reuters

LUXEMBOURG — Governments of the European Community have narrowed their differences on the future of Japanese car imports, and the EC Commission hopes an accord can be reached within weeks, sources within the Community said Tuesday.

It is one of the most sensitive trade problems facing the EC.

West European car sales surged in May. Page 13.

Sources said there was a consensus on a five-year transition period for voluntary export restrictions for Japanese cars after 1992.

Britain and West Germany have urged a short transition before opening markets in Italy, France, Spain, Portugal and Britain. France and Italy, seeing a threat to their automakers, wanted a longer transition and further protective provisions.

Sources said the commission will continue its contacts with Japan and try to reach agreement before the EC's summer break in August.

They said Martin Bangemann, EC commissioner for industry, stressed that it was important to keep the transition period short because the longer the transition, the greater the numbers of Japanese factories in the EC.

Sources said there was no sign of agreement on the issue of cars produced by Japanese companies within the EC. Britain is home to many of the Japanese producers.

"We want to encourage Japanese investment," one official said. "But the idea is to make the Japanese produce cars in the EC and not just assemble them."

The officials added that some Japanese companies would probably want to export autos produced in the EC to other markets, which would make their investments even more attractive to EC governments.

The Belgian foreign minister, Mark Eyskens, said that as the EC liberalized its market, it would increase pressure on Tokyo to open up its market.

U.S. Housing Starts Fall 4th Month in Row

Compiled by Our Staff From Dispatches

WASHINGTON — Construction of new U.S. housing fell 1.4 percent in May, the fourth straight monthly decline, and finished at the lowest level since the 1982 recession, the Commerce Department said Tuesday.

Many economists, who had expected an even poorer showing, blamed the decline on unusually heavy rains that drenched the South and Midwest.

"Starts continue to dance to the tune of this year's economic weather," said analysts at Fuji Securities in Chicago. "They were boosted by unseasonably balmy conditions in January and February."

Others blamed the economy. "It was an awfully wet May, that's true," said Richard Peach, an economist at the Mortgage Bankers Association. "But I think interest rates could explain this decline. You've got an environment of high rates."

Added chief economist David Seiders of the National Association of Home Builders: "I think overall the economic fundamentals are not any good."

The May decline to an annual rate of 1.2 million units follows a plunge of 6.4 percent in April.

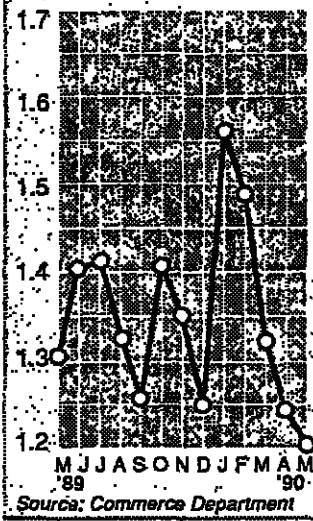
A government spokesman said the overall rate was the lowest since the 1.17 million housing starts in October 1982.

Hope that construction may pick up later was dampened by a second government report. Applications for new building permits, a barometer of future housing activity, dropped by 4.6 percent in May — to the lowest level since September 1982. Permit applications for new apartments fell to the lowest level since December 1975.

"It's going from bleak to downright nasty," said Martin Regalia, chief economist at the National Council of Savings Institutions.

Housing Construction

U.S. private housing started, in millions, at seasonally adjusted annual rates.



Source: Commerce Department

"We've jumped out of the doldrums and into the dumper." (UPI, AP)

Goodyear Predicts Loss After Charge in Quarter

Reuters

AKRON, Ohio — Goodyear Tire & Rubber Co. said Tuesday that it expects a second-quarter loss of up to \$10 million after it records pretax charges of \$35 million for costs associated with a restructuring of its North American operations.

Tom H. Barrett, chairman of the only big U.S. tire manufacturer, said the restructuring complements company strategy to serve a changing marketplace. Goodyear said 1,100 workers in various divisions would be released and it would eliminate five regional operations.

Mr. Barrett said competitive pressures in the industry and sluggishness of the auto market, combined with restructuring charges, the impact of Brazil's economic reforms, and a prolonged strike in Turkey, are contributing to an expected second-quarter net loss of up to \$10 million. In the second quarter of 1989, the company earned \$27.1 million.

For the first quarter, Goodyear's net profit also was weak, falling 78 percent, to \$20.9 million. Sales were essentially flat at \$2.69 billion.

Mr. Barrett said that because of competitive pressures and a weak U.S. economy, results in the second half would be only about the same level as in the last six months of 1989. In that period, the company earned about \$67.8 million.

Goodyear in 1986 evaded a \$4.73 billion takeover bid by Sir James Goldsmith, the British-French financier, but it spent more than \$2.6 billion to purchase his 11.5 percent stake and buy in other shares.

Since the mid-1980s, all the other big U.S. tire makers have been acquired by foreign concerns, leaving only Goodyear and the small Cooper Tire Co. The world market, in which Goodyear trails Groupe Michelin of France, has been slack because of reduced demand and rising competition among the big international players.

CURRENCY RATES

Cross Rates									
	U.S.	DM	FF	Yen	Sw.	GBP	Scd.	DK	CS
Australia	1.38	5.25	1.39	6.36	1.35	1.47	1.22	1.25	1.81
Belgium	36.05	28.05	28.57	1.11	2.82	1.29	1.39	1.28	0.52
Canada	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27
France	6.55	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Germany	1.93	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Italy	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36
Japan	107.00	107.00	107.00	107.00	107.00	107.00	107.00	107.00	107.00
UK	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Sweden	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36
Switzerland	1.48	1.48	1.48	1.48	1.48	1.48	1.48	1.48	1.48
Denmark	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36
Czechoslovakia	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36
Poland	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36
Soviet Union	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36
South Africa	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36
Spain	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36
Taiwan	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36
Thailand	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36
West Germany	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36
Yugoslavia	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36

Forward Rates									
	30-day	60-day	90-day	120-day	150-day	180-day	210-day	240-day	360-day
Canada	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27	1.27
France	6.55	6.55	6.55	6.55	6.55	6.55	6.55	6.55	6.55
Germany	1.93	1.93	1.93	1.93	1.93	1.93	1.93	1.93	1.93
Italy	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36
Japan	107.00	107.00	107.00	107.00	107.00	107.00	107.00	107.00	107.00
UK	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Sweden	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36
Switzerland	1.48	1.48	1.48	1.48	1.48	1.48	1.48	1.48	1.48
Denmark	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36	1.36

Source: Reuters, London. All rates are for U.S. dollars unless otherwise indicated. All rates are for U.S. dollars unless otherwise indicated.

INTEREST RATES

Eurocurrency Deposits									
	Dollar	D-Mark	Franc	Sterling	French	Yen	ECU	SDR	
1-month	8 1/8-8 1/4	7 9/16	8 9/16	14 1/2-15 1/8	9 1/4-9 1/2	7 1/2-7 3/4	10 1/10	8%	
3-month	8 1/8-8 1/4	8 1/8	8 1/8-8 1/4	14 1/2-15 1/8	9 1/4-9 1/2	7 1/2-7 3/4	10 1/10	8 1/4	
6-month	8 1/8-8 1/4	8 1/8	8 1/8-8 1/4	14 1/2-15 1/8	9 1/4-9 1/2	7 1/2-7 3/4	10 1/10	8 1/2	
9-month	8 1/8-8 1/4	8 1/8	8 1/8-8 1/4	14 1/2-15 1/8	9 1/4-9 1/2	7 1/2-7 3/4	10 1/10	8 3/4	
12-month	8 1/8-8 1/4	8 1/8	8 1/8-8 1/4	14 1/2-15 1/8	9 1/4-9 1/2	7 1/2-7 3/4	10 1/10	9%	
15-month	8 1/8-8 1/4	8 1/8	8 1/8-8 1/4	14 1/2-15 1/8	9 1/4-9 1/2	7 1/2-7 3/4	10 1/10	9 1/4	
18-month	8 1/8-8 1/4	8 1/8	8 1/8-8 1/4	14 1/2-15 1/8	9 1/4-9 1/2	7 1/2-7 3/4	10 1/10	9 1/2	
21-month	8 1/8-8 1/4	8 1/8	8 1/8-8 1/4	14 1/2-15 1/8	9 1/4-9 1/2	7 1/2-7 3/4	10 1/10	9 3/4	
24-month	8 1/8-8 1/4	8 1/8	8 1/8-8 1/4	14 1/2-15 1/8	9 1/4-9 1/2	7 1/2-7 3/4	10 1/10	10%	
Sources: All Reuters except ECU: Lloyd's Bank.									
Interest rates applicable to international deposits of \$2 million minimum (per annum).									

Key Money Rates			Asian Dollar Deposits		
	June 19	June 18		June 18	June 17
United States	Class	Prev.			
3-month	7.00	7.00	1 month	8 1/2-8 1/4	
6-month	7.00	7.00	3 months	8 1/2-8 1/4	
9-month	7.00	7.00	6 months	8 1/2-8 1/4	
12-month	7.00	7.00	1 year	8 1/2-8 1/4	
Prime rate	8 1/4		Source: Reuters.		
Commercial paper					
3-month	7.00	7.00			
6-month	7.00	7.00			
9-month	7.00	7.00			
12-month	7.00	7.00			
3-month Treasury bills	7.00	7.00			
6-month Treasury bills	7.00	7.00			
9-month Treasury bills	7.00	7.00			
12-month Treasury bills	7.00	7.00			
3-month Treasury notes	7.00	7.00			
6-month Treasury notes	7.00	7.00			
9-month Treasury notes	7.00	7.00			
12-month Treasury notes	7.00	7.00			
3-month CDS	7.00	7.00			
6-month CDS	7.00	7.00			
9-month CDS	7.00	7.00			
12-month CDS	7.00	7.00			
3-month swap	7.00	7.00			
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MARKET DIARY

Blue Chips Recover In Slow Market Day

NEW YORK — The New York Stock Exchange closed higher Tuesday in very light trading, but the blue chips, which traded their steepest drop in five months Monday, outperformed the market.

The Dow Jones industrial average, which dropped 53.71 points Monday, rose 11.38 to close at 2,893.56.

Among broader market gauges, the New York Stock Exchange composite index added 0.68 to 195.61 and Standard & Poor's 500-stock index rose 1.59 to 358.47. Advances barely led declines. Volume totaled about 135 million shares, compared with 133.4 million traded Monday.

In the wake of Monday's plunge, the Dow industrials opened lower but quickly rebounded in early trading as institutions hunted bargains.

After about half an hour of activity, program buying, which is used to profit on price spreads between stocks and stock-index futures, boosted prices further.

"Today was a non-event," said Michael Metz, analyst at Oppenheimer & Co. "It just looks like we went down a bit too fast on Monday and some who have missed the rally were picking up what appeared to be bargains."

He said program buying boosted prices a little but "the easing of liquidation pressure is what really helped us along today."

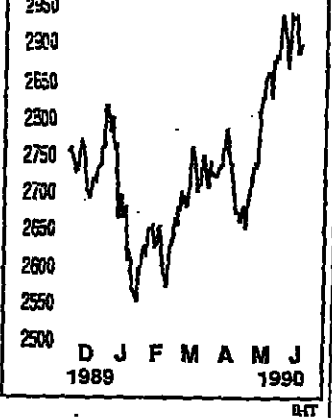
Occidental Petroleum was the most active issue, down 1/8 to 26. The company's debt and preferred stock were downgraded late Monday by Standard & Poor's, which cited high fixed costs, heavy dividend demands and expected weak earnings.

Prices closed narrowly mixed in light trading on the American Stock Exchange.

See Associated Press June 19

The Dow

Daily closings of the Dow Jones industrial average



D J F M A M J 1989 1990

NYSE Most Active

Vol.	High	Low	Last	Chg.
Occidental	26 1/8	26 1/8	26 1/8	-1/8
Occidental	26 1/8	26 1/8	26 1/8	-1/8
Occidental	26 1/8	26 1/8	26 1/8	-1/8
Occidental	26 1/8	26 1/8	26 1/8	-1/8
Occidental	26 1/8	26 1/8	26 1/8	-1/8
Occidental	26 1/8	26 1/8	26 1/8	-1/8
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Dow Jones Averages

Open High Low Last Chg.

Indus	2893.56	2893.56	2893.56	+11.38
Trans	112.34	112.34	112.34	+0.12
Util	28.12	28.12	28.12	+0.05
Comp	102.77	102.77	102.77	+0.25

Standard & Poor's Indexes

High Low Close Chg.

Indus	358.47	358.47	358.47	+1.59
Trans	12.34	12.34	12.34	+0.10
Util	2.34	2.34	2.34	+0.05
Comp	10.27	10.27	10.27	+0.25

NYSE Indexes

High Low Close Chg.

Indus	2893.56	2893.56	2893.56	+11.38
Trans	112.34	112.34	112.34	+0.12
Util	28.12	28.12	28.12	+0.05
Comp	102.77	102.77	102.77	+0.25

NASDAQ Index

High Low Close Chg.

Indus	358.47	358.47	358.47	+1.59
Trans	12.34	12.34	12.34	+0.10
Util	2.34	2.34	2.34	+0.05
Comp	10.27	10.27	10.27	+0.25

Dow Jones Bond Averages

High Low Close Chg.

Indus	112.34	112.34	112.34	+0.12
Trans	28.12	28.12	28.12	+0.05
Util	102.77	102.77	102.77	+0.25
Comp	2893.56	2893.56	2893.56	+11.38

Market Sales

NYSE 4 a.m. volume

Indus	134,000	134,000	134,000	+11.38
Trans	112,340	112,340	112,340	+0.12
Util	28,120	28,120	28,120	+0.05
Comp	102,770	102,770	102,770	+0.25

N.Y.S.E. Odd-Lot Trading

June 19

Indus	37,421	37,421	37,421	+11.38
Trans	11,234	11,234	11,234	+0.12
Util	2,812	2,812	2,812	+0.05
Comp	10,277	10,277	10,277	+0.25

S&P 100 Index Options

June 19

non Brothers Inc. in London.	2.83
	2.75
	Est. 2
	Prev.
	SOYB
	5.000b
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Euromarché Chief to Quit

PARIS — The chairman of Euromarché, Antoine Bernheim, said Tuesday that he would soon leave the hypermarket chain because of a dispute with its largest shareholder, Au Printemps SA.

Printemps, which owns 43.3 percent of Euromarché, has been at odds with the subsidiary because of the unit's poor financial results. Many of the problems have been centered around losses at Euromarché's 20 percent subsidiary, Hyper Shopper Inc., which runs the unprofitable Bigg's hypermarkets in the United States.

Mr. Bernheim, a partner at the Lazard Frères & Cie. merchant bank, which owns 40 percent of Euromarché, said he had had enough of the squabbles with Printemps.

"My wish in the next few months is to find ways for Euromarché to pursue its development, not be troubled by problems with shareholders," he told the annual meeting on Tuesday.

Although Printemps did not move to oust Mr. Bernheim, it refused to approve the 1989 Euromarché results at the annual meeting. The company reported a net attributable loss of 59.4 million francs (\$10.5 million).

A Printemps executive at the Euromarché meeting said the retailer had not approved the results because it did not get satisfactory answers to its questions.

"In a favorable climate, where all other hypermarket groups' profits grew in an exceptional way in 1989, Euromarché made losses and will not be able to pay a dividend," the executive said.

Euromarché did not pay a 1989

Norway's Norka Bank Posts Loss for 4 Months

OSLO — Norway's largest bank, formed in a merger this year, on Tuesday reported a loss for the first four months of 1990 but said it expected a profit for the full year.

The bank said its loss for the first four months totaled 491 million Norwegian kroner (\$76 million). The bank said the 1989 comparative figure for the first four months was a 429 million kroner.

The results were the first since the bank was created by the merger of Den norske Creditbank with Bergen Bank in April.

dividend. In 1988, the payout was 100 francs per share.

Mr. Bernheim said the hypermarket chain's difficulties arose from having insufficient shareholders' funds.

Commenting on other French companies that own hypermarkets, Mr. Bernheim said, "There is not the option of having large shops like Carrefour and Auchan. Our chain is heterogeneous and difficult to manage."

André Crestey, managing director of Euromarché, said the company expected a net attributable profit of 20 million to 25 million francs for 1990.

Euromarché and Printemps had been rivals in the field of hypermarkets, stores that offer groceries and a variety of consumer goods at one large site. The concept has been more successful in Europe than the United States, where competing merchants for the various departments offer lower prices.

In 1976, Printemps, which has a variety of merchandising activities, merged its hypermarket operations with Euromarché's, receiving a substantial stake. But relations between the two companies have been strained.

Europe's May Car Sales Jumped

LONDON — West European car sales jumped about 3.7 percent in May, led by strong performances in West Germany and France, and they are on target for a fifth record year in a row, an industry newsletter said Tuesday.

Sales had dipped 2.1 percent in April, compared with the like month in 1989, leading to suspicions that a five-year surge in Europe might be fizzling out.

But provisional figures from Automotive Industry Data showed the rebound in May. Sales for the first five months rose 1.6 percent, to 6.1 million, and would reach 13.6 million for

the whole year if this pace was maintained. Car sales in 1989 totaled 13.4 million.

"The turnaround was most apparent in major markets like Germany and France, where a forbidding April dip was transformed into a plus," the newsletter said.

In West Germany, Europe's biggest market, sales in May were 285,000 cars, hoisting the total for the first five months to 1.3 million, up 4.8 percent from the like period last year.

French sales jumped 8 percent in the month and reached 1.04 million over the five months, but British sales fell for the seventh

month in a row and have declined 9.6 percent in 1990.

Volkswagen AG of West Germany overtook Italy's Fiat SpA as the biggest selling carmaker in the first five months, with a 15.1 percent market share, helped by the strong results of its home market. Fiat had 14.9 percent of the market, down from 15.4 percent a year earlier.

BMW, the West German luxury carmaker, did poorly. Its European sales fell 2.3 percent in the first five months.

Above-average gains were made by General Motors Corp.'s Opel unit and Japanese companies.

Mercedes Net, at 1.5 Billion DM, Leads Daimler-Benz

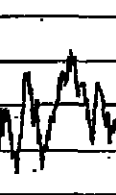
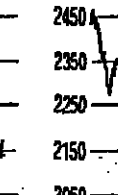

STUTTGART — Daimler-Benz AG, the biggest West German industrial conglomerate, on Tuesday released Mercedes-Benz earnings figures that showed automobiles remain Daimler's key profit area.

Breaking out profit figures for the Mercedes-Benz subsidiary for the first time, Daimler said the automobile unit's 1989 group net profit was 1.49 billion Deutsche marks (\$883.1 million), almost as big as Daimler's previously reported 1.7 billion DM, excluding extraordinary items.

Mercedes' operating profit was 4.79 billion DM, compared with Daimler's overall 10.10 billion. In announcing its earnings in May, Daimler said it was affected by investment programs at its AEG AG electronics subsidiary and its Deutsche Aerospace AG unit. Daimler recently acquired Messerschmitt-Bölkow-Blohm GmbH, another aerospace concern.

Daimler's auto operations will continue to be the core of its interests, it said. The company said, however, that Mercedes faces competition in luxury cars and industrial alliances in trucks.

Investor's Europe

Frankfurt Commerzbank	London F.T. 100 Index	Paris C.A.C. 40		
				
Exchange	Index	Tuesday Close	Prev. Close	% Change
Amsterdam	CBS Trend	119.50	119.10	+0.34
Brussels	Stock Index	6252.76	6279.42	-0.42
Frankfurt	Commerzbank	2224.30	2206.40	+0.81
Frankfurt	DAX	1809.45	1797.42	+0.67
Helsinki	UNITAS	567.20	567.80	-0.07
London	Financial Times 30	1907.40	1911.90	-0.24
London	FT-SE 100	2369.70	2370.50	-0.03
Madrid	General Index	282.96	283.37	-0.14
Milan	MIB	1107.90	1105.90	+0.18
Paris	CAC 40	2000.14	1988.33	+0.59
Stockholm	Aftersvaerden	1275.80	1278.60	-0.22
Zurich	SBS	670.70	672.60	-0.28

Sources: AFP

International Herald Tribune

British Steel Buys Division Of Klöckner

LONDON — British Steel PLC has agreed to buy the Mannstätt division of West Germany's Klöckner-Werke AG for 300 million Deutsche marks (\$176 million) in cash.

Analysts said the price was in line with expectations.

The major part of the division is near Cologne, where it produces about 200,000 metric tons of hot rolled special steel sections a year and about 120,000 metric tons of hollow and cold formed sections.

The division had sales of 460 million DM in the year ended Sept. 30, 1989. Mannstätt also has two small subsidiary companies, which make mining arches, in the Ruhr.

"The acquisition will provide British Steel with a manufacturing facility in Germany in line with its plans to increase added value sales to the expanding German automotive, construction and engineering industries," British Steel said.

Takeovers May Target Swiss Firms

GSTAAD, Switzerland — Swiss blue-chip companies, which over the past few years have embarked on takeovers at home and abroad, could become targets themselves, according to a study published Tuesday by Bank Julius Baer & Co.

The liberalization and simplification of share structure adopted recently by a number of large Swiss companies could attract takeover bids, Baer said in an economic and stock-market outlook.

Possessing a big name will provide no guarantee of invulnerability, especially if control can be gained through only a small part of market capitalization, it said.

"We expect takeover attacks particularly on companies where the voting power can be controlled with a financial involvement of substantially less than 50 percent of the market capitalization," the study said.

Baer listed the engineering groups Georg Fischer and Gebrüder Sulzer AG, the chemical companies Ciba-Geigy AG and Roche Holding Ltd., CS Holding (parent company of Credit Suisse), Union Bank of Switzerland, BNP, AG Brown Boveri & Co. and Oerlikon Billroth AG as companies where control would be possible

with a fraction of market capitalization.

Both Ciba-Geigy and Brown Boveri opened up their registered stock to foreigners for the first time earlier this year while some banks have provided greater transparency of accounts in a bid to encourage more foreign investors.

Baer noted that Swiss industrial companies still show high liquidity and are therefore in a position to continue acquisitions.

Baer also said Swiss stocks continued to be good value with the market at around 15 percent below the European average while corporate earnings were expected to increase by 10 percent, roughly the same rate as that anticipated in the remainder of Europe.

Positive demand in Japan and Europe, and increasingly in Eastern Europe, would more than compensate for slower economic momentum in important export markets such as Britain and the United States, the report said.

The inflationary effects caused partly by a weaker Swiss franc should begin to taper off by the second quarter of 1990, Baer said, adding this could boost financial stocks.

The study cautioned: "Currency

gains will probably be largely a thing of the past in 1990," adding that the earnings momentum in industrial corporations with large interests in the dollar area, such as chemicals firms and Nestlé SA, will slow perceptibly.

Baer said the concentration in Swiss banking, with the larger institutions buying up smaller ones, improved information policies while anticipated stock market gains in the second half made financial stocks attractive.

Baer also recommended insurance stocks in view of their long-term earnings potential and relatively low valuation.

Baer said machinery and engineering companies were expected to post earnings above average, but the aluminum sector would have to accept earnings reductions.

Despite the negative effects of the strengthening Swiss franc on the big chemical groups' growth so far this year, the report said the companies should continue to perform reasonably well.

Food groups, too, face the problem of changing currency factors along with increasing competition by brand names. However, Baer said the opening up of Eastern Europe provided an attractive market.

Loss by Airline Unit Mutes 96% Profit Gain by Sabena

BRUSSELS — Sabena, the parent company of the Belgian state-owned airline, reported Tuesday that its net profit nearly doubled in 1989. But its core airline business had an operating loss of 1.26 billion francs (\$36.3 million), Chairman Carlos Van Ravelghem said.

Sabena said its net profit rose 96 percent to 631 million francs from 324.7 million in 1988. Revenue dipped to 41.89 billion francs from 42.75 billion. The rise in the group's net reflected profits in most of Sabena's 16 subsidiaries, ranging from hotels to fueling and catering.

Mr. Van Ravelghem attributed the loss in its air transport business to a disruption of services to central Africa, an air traffic controllers' strike in Europe and a work stoppage by flight attendants.

"We had a difficult year in 1989," he said. No comparable figure was given for the airline subsidiary's 1988 performance.

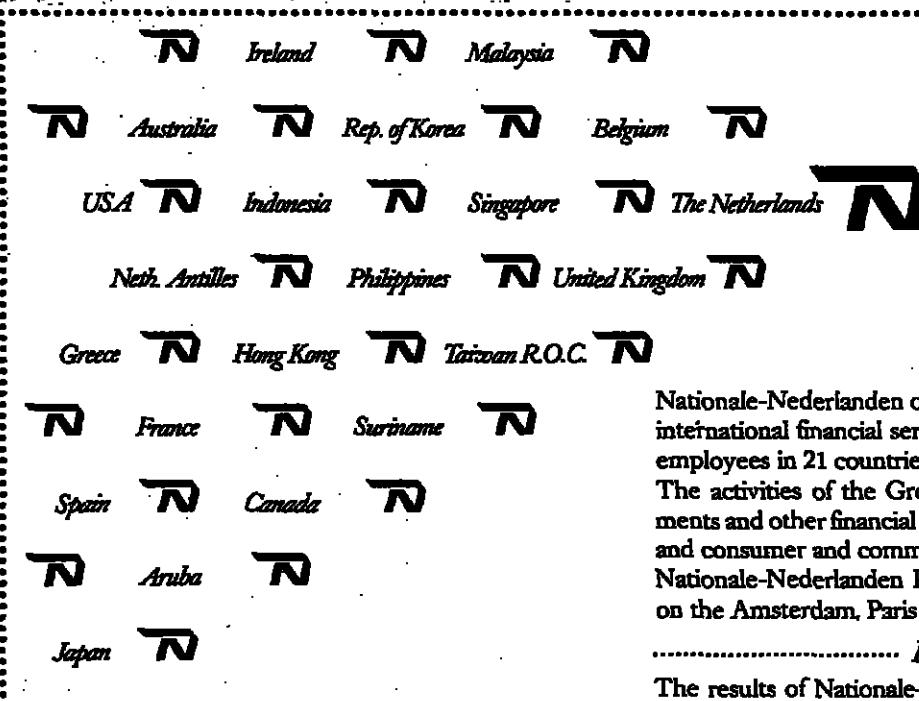
Despite the loss by the airline, most of Sabena's 16 divisions showed profits, he said. Their results, taken together, totaled 722.3 million francs, down 12 percent from 819.3 million francs in 1988.

Sabena's passenger traffic rose 3.5 percent in 1989. Its load factor, or the number of seats filled on flights, fell to 64.8 percent from 66.4 percent because of the strikes.

Mr. Van Ravelghem said the airline would have serious problems if there were to be a repetition of 1989's troubles, which almost stopped Sabena's expansion plan.

Sabena last year announced a link-up with British Airways PLC and KLM Royal Dutch Airlines to develop a European network.

The deal is under review by the European Community Commission, which must state any objections by the end of this month.



Nationale-Nederlanden occupies a leading position in the international financial services markets, with over 25,000 employees in 21 countries. The activities of the Group comprise insurance, investments and other financial services such as savings schemes and consumer and commercial credit. Nationale-Nederlanden Depositary Receipts are quoted on the Amsterdam, Paris and Geneva stock exchanges.

The results of Nationale-Nederlanden for the first three months of 1990 have been adversely affected by the heavy storms which raged over the northwestern part of Europe earlier this year. These confronted the Group's companies in the Netherlands, Belgium and the United Kingdom with more than 130,000 claims. As a consequence, an amount of US \$ 36.4 million after tax was charged to the first quarter. On a more positive note, the life result showed a strong increase as did professional reinsurance and the balance of investments and other activities. These favourable factors contributed to an overall net profit of close to US \$ 52 million.

Net profit over US \$ 50 million despite most devastating storms for decades

	1990	1989	%
	US \$ M.	US \$ M.	
Premium income	2286	2523	9
Revenue	3198	3397	6
Net profit	52	81	37
Profit per share	US \$ 0.35	US \$ 0.58	39

For statistical purposes all amounts have been translated at the same rate US \$ 1 = Dfls 1998

The Executive Board maintains its expectation that profit for 1990 will equal the high 1989 level.

The full report for the first three months can be obtained from: Nationale-Nederlanden NV, Johan de Wittlaan 3, 2517 JR The Hague, the Netherlands. Tel: (70) - 35813 90.

Nationale-Nederlanden

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ALL PERSONS AND ENTITIES OTHER THAN THOSE DESCRIBED IN PARAGRAPHS A, B AND C ABOVE MUST FILE A PROOF OF CLAIM ON OR BEFORE THE BAR DATE OTHERWISE THEY SHALL BE FOREVER BARRED FROM VOTING UPON OR RECEIVING DISTRIBUTION UNDER ANY PLAN OR PLAN OF REORGANIZATION IN THESE CASES.

Acts or omissions of the Debtors prior to the Filing Date, including but not limited to Debtors' interrelationships and guarantees and services provided by the Debtors may give rise to claims against the Debtors notwithstanding the fact that such claims (or the injuries on which they are based) may be contingent or may not have occurred, matured or become fixed or liquidated prior to such date. Therefore, any creditor having a claim or potential claim against the Debtors, no matter how remote or contingent, must file a proof of claim on or before the Bar Date.

Proofs of claims shall conform substantially to the form approved by the Court, a copy of which is on file at the Office of the Clerk, United States Bankruptcy Court, Southern District of New York, 10004-1408 or at the Office of the Clerk, United States Bankruptcy Court, Southern District of New York, 10004-1408 or at the Office of the Clerk, United States Bankruptcy Court, Southern District of New York, 10004-1408.

In the event you have questions concerning the completion, filing or processing of your proof of claim, you may telephone (800) 735-7734 between the hours of 10:00 A.M. to 5:00 P.M., Eastern Daylight Time for assistance.

Dated: New York, New York
June 11, 1990

BY ORDER OF THE COURT
HONORABLE BURTON R. LIFLAND
UNITED STATES BANKRUPTCY JUDGE
UNITED STATES BANKRUPTCY COURT
Southern District of New York
The Old Custom House
One Bowling Green
New York, New York 10004-1408

DAVID POLK & WARDWELL
One Chase Manhattan Plaza
New York, New York 10005
Counsel for the Debtors
and Debtors in Possession

AMEX

Tuesday's Closing
include the nationwide prices up to
ing on Wall Street and do not reflect
s elsewhere. Via The Associated Press

dividend
dividend declared or paid in preceding 12 months, plus
dividend
dividend begins with date of settl
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NYSE

Tables include the nationwide price up to the closing on Wall Street and do not reflect late trading elsewhere. Via The Associated Press

NYSE Composite Index: 2,814.12 (+10.12)

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WHO PROVIDES
POWER
FOR THE WHEELS
OF INDUSTRY?



WE DO.

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Information and Communication Systems
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Hitachi is a leading provider of power systems and equipment for the industrial sector. Our gas turbine engines are known for their reliability and efficiency, making them a preferred choice for power generation in various industries. We offer a comprehensive range of services, from design and engineering to installation and maintenance, ensuring that our clients receive the highest quality of service. Our commitment to innovation and excellence has earned us a global reputation as a trusted partner in the power industry.

NYSE High-Lows

NEW HIGHS	NEW LOWS
IBM	120.00
Microsoft	110.00
Apple	100.00
Oracle	90.00
SAP	80.00
Siemens	70.00
ABB	60.00
Alstom	50.00
GE	40.00
Westinghouse	30.00

AMEX High-Lows

NEW HIGHS	NEW LOWS
AMEX	10.00
AMEX	9.00
AMEX	8.00
AMEX	7.00
AMEX	6.00
AMEX	5.00
AMEX	4.00
AMEX	3.00
AMEX	2.00
AMEX	1.00

The Daily Source for
International Investors.

Handwritten signature: J. P. ...

Hongkong Bank Gets Closer to Midland

By Steve Glain
International Herald Tribune

HONG KONG — Midland Bank PLC said Tuesday it was handing most of its operations here to Hongkong & Shanghai Banking Corp., edging toward what analysts said is an increasingly likely merger between the two banks.

The banks said the move was part of their strategy of cooperation, which began in December 1987, when Hongkong Bank bought 14.9 percent of Midland, Reuters reported.

Midland said it was moving its trade services division to Hongkong Bank, and its bonds distribution arm to Hongkong Bank's merchant-banking arm, Wardley Ltd. Midland also said it was downgrading its Hong Kong branch to a representative office.

Although a standstill agreement prohibits Hongkong Bank from raising its Midland stake before late 1990, the purchase was widely considered a precursor to a merger that will provide Hongkong Bank with an offshore domicile before Hong Kong returns to Chinese control in 1997.

Banking analysts said they were not surprised by the move and dismissed rumors Hongkong Bank

would shrink away from a merger. "There's too much at stake for them to back out now," said Stuart Cook, an analyst with Baring Securities (Hong Kong) Ltd., although he and other observers said they did not expect a merger before the standstill agreement expires.

Although analysts agreed a London domicile would offer Hongkong Bank protection if the colony's post-1997 environment turned grim, they argued that a Hongkong Bank-Midland amalgamation faces obstacles that would magnify the shortcomings of both banks.

Analysts said Hongkong Bank would have to reconcile a British domicile with its pivotal influence in a colony under Chinese control. Hongkong Bank plays an important role in the government's monetary policy, particularly in the setting of interest rates.

"It could be argued that there will have to be some understanding between the Bank of England and the Chinese regulatory authorities, and it's very possible that these two simply could not come to terms," said David Kowitz, an analyst with Jardine Fleming & Co.

Although the capitalizations of the two banks are roughly the same, Hongkong Bank enjoys far

better earnings. In March, it reported 1989 profit of 4.7 billion Hong Kong dollars (\$603.8 million), up 11 percent from a year earlier. In contrast, Midland reported in February a loss of 226 million (\$445.9 million) for 1989. It also announced last month it was forced to fire 8 percent of its employees because of budget constraints.

"The bank's international operations in developed countries do not have a great track record," said Mr. Cook.

Hong Kong's stock market has given the prospect of a Midland-Hongkong Bank merger a dim response. Hongkong Bank's stock has shed 12 percent of its value since Jan. 1, underperforming the barometer Hang Seng Index by 25 percent. The bank's share price on Tuesday closed at 5.90 Hong Kong dollars, unchanged from Friday's close after a three-day holiday.

In April, Hongkong Bank's U.S. flagship, Marine Midland Banks Inc., reported net income fell 85 percent, to \$6 million, in the first quarter of this year, following a drop in earnings of 91 percent, to \$13.9 million, in 1989. Last month, Hongkong Bank said it was injecting \$200 million into its U.S. subsidiary to offset Midland's losses, which were also attributed to heavy

provisioning against loan defaults by Third World countries.

Hongkong Bank of Australia Ltd., reported an after-tax loss of \$1.6 million Australian dollars (\$63.3 million) for 1989. It also announced last month it was forced to fire 8 percent of its employees because of budget constraints.

"The bank's international operations in developed countries do not have a great track record," said Mr. Cook.

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"You can see what the market thinks of the merger," said an analyst with a U.S.-based investment firm. The merger "has nothing to do with banking fundamentals. The only reason they want to go ahead with it is because the executives want to be out of Hong Kong by 1997. After all, the people who run Hongkong Bank are British to a man."

San Miguel Stock Affair Nears a Resolution

Reuters

MANILA — The government body that seized shares in Philippine brewery group San Miguel Corp. said Tuesday that it has agreed to lift its sequestration to allow the company to sell the shares and raise funds.

The Presidential Commission on Good Government said in a resolution that it had no objection to a compromise agreement between San Miguel and United Coconut Planters Bank, a local commercial bank that has a stake in the food and beverage conglomerate.

The commission's decision still needs approval by an anti-corruption court, which is expected to rule within 10 days.

The shares covered by the agreement account for about 30 percent of San Miguel's outstanding shares and are worth over 10 billion pesos (\$477 million) at current prices. The compromise agreement is an out-of-court settlement designed to end almost four years of litigation of the ownership dispute over the shares.

The commission in 1986 sequestered 33.13 million shares, which are now 175.27 million because of stock splits and dividends, in San Miguel held by the Coconut Bank on suspicion they were illegally acquired by the former San Miguel chairman, Eduardo Cojuangco.

Mr. Cojuangco was a close associate of the late President Ferdinand Marcos and fled with the former strongman after he was toppled in a civilian-backed military revolt in 1986.

The resolution said the compromise agreement does not cover another block of sequestered shares amounting to about 86 million shares that are registered in Mr.

Cojuangco's name and in companies owned or directly controlled by him.

The commission said that its decision to lift sequestration of the shares will need approval by the anti-graft court where Mr. Cojuangco faces pending corruption cases.

When the sequestration is lifted, some 26.45 million shares will revert to San Miguel treasury for disposal to raise funds for an on-going expansion, the resolution said.

The stock certificates for the balance of 148.82 million shares assigned to the Coconut Bank will be delivered to the commission.

Also Tuesday, the Philippines said it would sell half of its 50.1 percent stake in a fertilizer company to either the Republic of Nauru, its partner in the venture, or to other buyers.

A government official said that the government also wants to be the buyer of the Philippine Fertilizer Corp. stake to assume guarantees on some \$400 million in the company's debts to foreign creditors.

Investor's Asia				
Hong Kong Hang Seng	Singapore Straits Times	Tokyo Nikkei 225		
3200	1650	40000		
2500	1500	35000		
2000	1400	30000		
1500	1300	25000		
1000	1200	20000		
500	1100	15000		
0	1000	10000		
1990	1990	1990		
Exchange	Index	Tuesday Close	Prev. Close	% Change
Hong Kong	Hang Seng	3229.02	3201.52	+0.86
Singapore	Straits Times	1534.87	1545.72	-0.70
Sydney	All Ordinaries	1499.40	1506.00	-0.44
Tokyo	Nikkei 225	32040.38	32376.80	-1.04
Kuala Lumpur	Composite	570.89	574.00	-0.54
Bangkok	Book Club	863.49	858.27	+0.61
Seoul	Composite Stock	749.61	756.39	-0.90
Taipei	Weighted Price	6892.88	6916.43	-2.05
Manila	Composite	910.87	920.51	-1.05
New Zealand	Barclays	1792.09	1811.56	-1.07
Bombay	National Index	424.84	N.A.	

Sources: Reuters, AFP

International Herald Tribune

Taipei Warns Formosa Plastics On China Project

Reuters

TAIPEI — Taiwan's government has warned Formosa Plastics Corp. not to go ahead with a proposed \$7 billion project to build a naphtha-cracking plant in China, Prime Minister Hsu Fu-sun said on Tuesday.

Mr. Hsu said in the legislature that the government had "gone through channels to explain its position" to Formosa Plastics' founder, Wang Yung-ching, who is believed to be in China negotiating the deal.

"Of course, the government on the one hand wants to persuade him not to go to the mainland to make such a large investment, and on the other hand has the obligation to help make sure his new investments in Taiwan flourish," Mr. Hsu said.

Officials of Formosa Plastics, Taiwan's largest private corporation, have repeatedly said the company will not go ahead with its investment near the Chinese coastal city of Xiamen. But Taiwan newspapers have reported that the deal is almost complete.

Vietnam Says It Is Seeking Greater Foreign Investment

Agence France-Presse

HANOI — Vietnam reaffirmed Tuesday that it will push for increased foreign investment, a move that coincides with a current political campaign to combat foreign influences.

"In the coming years, Vietnam favors a gradual increase in the proportion of overseas development funds," the Vietnam News Agency said.

Some 105 foreign investment projects worth more than \$852 million were approved in 1988 and 1989 after a foreign investment code was adopted, the agency said. It was quoting a report presented to Vietnamese deputies holding a parliamentary session to discuss economic issues.

According to the report, 20,500 foreign delegations came to Vietnam in 1989 to examine investment possibilities, twice as many as in the previous year.

In recent months, Vietnam has been attempting to unite a policy of economic openness with an increasingly conservative political tack that officials say is the result of "a conspiracy of imperialists and Vietnamese reactionaries" against its communist system.

Vietnam adopted a liberal foreign investment code in December 1987 as part of a program launched a year earlier to overhaul its failing economy.

The program includes the development of a private sector to take part in a wide range of economic activities.

The report quoted by the news agency said 75 percent of the foreign investment projects were concentrated in the south, which is seen as more economically dynamic than the north.

Communist Party Secretary General Nguyen Van Linh, one of the main forces behind the economic reforms, said recently that the south would be the engine of its development.

Officials have repeatedly stated their wish to continue the country's political system, particularly the leading role of the party, which they say must be overhauled to get rid of "corrupt elements."

China Mining Venture Set

Reuters

TOKYO — Trading house Marubeni Corp. said Tuesday that it and Malaysia Mining Corp. plan to set up a joint venture with the Chinese government to mine the mineral ilmenite on Hainan Island.

By 1992, a Marubeni spokesman said, the venture will produce 50,000 tons a year of ilmenite, a mineral from which titanium oxide is derived.

The resolution said the compromise agreement does not cover another block of sequestered shares amounting to about 86 million shares that are registered in Mr.

Cojuangco's name and in companies owned or directly controlled by him.

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Active Start on SIMEX For Euroyen Contract

Compiled by Our Staff From Dispatches

SINGAPORE — Trading was active Tuesday for the first day of trading in Euroyen options on the Singapore International Monetary Exchange.

Institutional investors from Singapore, Japan and elsewhere in Asia were evident as 2,000 contracts traded by the close. The instruments give investors the right to buy or sell a three-month deposit of 100 million yen (\$649,773), essentially betting on interest rates for the Japanese currency in off-shore markets.

There were 1,090 call, or buy, options purchased, and 910 put, or sell, options. September calls traded between 92.50 and 92.75, while September puts traded between 92.25 and 92.50.

In the currency markets, Euroyen futures traded at 7.25 percent to 7.375 percent.

The market maker, First Continental Trading Singapore Pte., was active throughout the day. Other participants included Japanese securities houses, banks and U.S. brokerage firms, the exchange said.

(Reuters, AFP)

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(Reuters, AFP)

Japanese Study Sonic Craft

The Associated Press

TOKYO — A five-member mission from Japan's three major aircraft makers left Tuesday for London to begin a four-nation trip to study the possibility of joining a project to develop a supersonic airliner, a Japanese official said.

Daigo Shibata, a spokesman for the Society of Japanese Aerospace Companies Inc., said the mission will visit five aircraft makers in Britain, West Germany, France and the United States.

In May, two major U.S. aircraft makers — Boeing Co. and McDonnell Douglas Corp. — announced that they would participate in the project, Mr. Shibata said.

Under the \$10 billion project, originally proposed by France's Aerospatiale and Britain's Aerospace, a supersonic passenger jet that can carry 200 passengers and fly 2.5 times the speed of sound is to be built at the beginning of the next century. The Concorde, a supersonic jet produced in the 1970s, carries 100 passengers.

The five mission members are from Mitsubishi Heavy Industries, Kawasaki Heavy Industries and Fuji Heavy Industries.

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Special Guest Speaker: Vaclav Havel
President of Czechoslovakia

Herald Tribune

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SPORTS/THE WORLD CUP

Give the Referees a Break

International Herald Tribune

TURIN — A World Cup championship tournament is the public trial of the talent, temperament and nerve of the best of 120 million soccer players. The rewards, however, are equal to the pressure in that, in just one month, young men can earn sufficient to invest for a lifetime.

There are older men under the same global spotlight, the same ferocious scrutiny, but performing for only pocket money. Referees grow hardened to alienation, but some here at this tournament are as isolated as astronauts in outer space.

Since sending them up there, ground control FIFA has set new rules and working practices. Moreover, FIFA's senior administrator uses the battery of technological advantages at his fingertips to play back every mistake they make, and to pick them off one by one for public humiliation.

Referees have, since sport began, acted in the haste of an eyelash. They are the sole arbiters of right and wrong, and of intent, and replaying the action in slow motion still may not show what the referee saw or could sense leading up to it.

Standing by with pained innocence is often a hatchet man who followed orders to stop an opponent regardless of harm to that fellow professional's career. Writing on the ground may be a victim, or a dramatist whose antics are just as cynically designed to dupe the referee.

And the referee has a duty to keep the game flowing, plus a humane responsibility not to refuse medical aid to a genuine casualty.

Players, remember, work full time at what they do. The 36 men chosen to control them are 8 teachers, 8 accountants, clerks or bank managers, 8 salesmen, 5 engineers, 4 business managers, 1 doctor, 1 journalist and 1 industrialist.

Some like the stage, others tolerate it; some are failed performers, some crusaders, some are on ego trips. So are some administrators.

The crux at this tournament revolves around FIFA's correct move against anarchy. It was polluting young minds and — always in the thoughts of FIFA — the sponsors who create the golden goose and want clean images.

SINCE WE are now at the world's biggest marketing event, we should welcome, whatever the impetus, law and order. Three changes are vital:

1) The automatic ejection of those guilty of the iniquitously named professional foul, where defenders cynically hack down opponents to prevent goals being scored. Those are fouls not only against the ethic of fair play, but are crippling to artistry.

2) A clamp down on dissent and disheveled appearance. It is ludicrous that professionals need ordering, like unruly infants, to pull up their socks or to wear shin guards to prevent broken legs. And long overdue is the silencing of abuse, by word or gesture, that invites hooligan behavior among adolescents to whom the player is an idol and the referee is a policeman.

3) Administration to back up the referees by punishing the pockets of players and, through suspensions, making their managers think twice about ordering rough tactics.

Authoritarianism rules? Okay by me. Lax social order in our lives is often followed by regimentation, and this game needed order.

I have no trouble identifying Sepp Blatter, FIFA's secretary-general, with this clampdown. A former Swiss army officer, now in a commanding position as chief executive to FIFA's aging president, Blatter is

far from shy at playing the power game. However, he should know that high authority brings with it a need for responsibility.

Blatter exceeds his brief when he castigates individual referees for "gross blunders." FIFA selected these referees from hundreds of thousands presumably because they were the best, though some some pandering to emerging nations, like the encouragement that brought the Africans to prominence, must be tolerated.

YET FIFA's timing is questionable. Referees were selected first, then the goalposts were moved. Moreover, they were bluntly told: Change your ways, do as FIFA orders, or home you go!

Consider just one man, whom I refer to because I see his refereeing often and because he has not (yet) been blackballed by Blatter.

George Courtney, a headmaster aged 49, is the only Englishman of the 23,000 qualified referees in his country to be working at this World Cup, as he was the last. He breathes the game; he is a fitness fanatic; he actually likes the players and his style has always been to referee with them, not at them.

His prime belief in man management — or overgrown-child management — was summed up in May, before FIFA's new code was announced.

"It's all down to levels of acceptability, concocting ways of selling decisions to people," he said. "There is mutual respect and trust. The old days of the authoritarian headmaster are going anyway. You have to be more of a democrat now."

A democrat who could respect and share the joys of men at play, yet one rarely seen to shirk the duty of sending off real villains. A democrat who did not make the laws but upheld them, and one who did not produce society's attitudes but understood how sport absorbs them.

I hope none of this puts the mark of Cain on Courtney. Being British, he supported the English Football Association's attempt eight years ago to outlaw the professional foul by ordering the immediate ejection of the perpetrator — an attempt personally rejected by FIFA's president, Joël Havelange.

MY POINT is to choose a positive example of refereeing — and there have been others, notably José Ramat Wright of Brazil, who was criticized by Blatter. Like everyone here, I have the benefit of television to revise my own blurred judgements and to confirm that referees make mistakes.

I subscribe to FIFA's belated protection of the spirit of fair play, but see it as neither fair nor helpful to pick out specific men as "mistaken referees acting high-handedly and wrongly."

These are Blatter's words. I suggest a truce between authority and its selected judges. FIFA should blow the whistle on its talkative administrator before either some decent referee hands back his badge and departs or before accusations fly, as usually they do, about corruption and inducements, accusations that are even more corrosive than errors.

Faust, yes and journalists, can criticize referees in the time honored way. But FIFA must protect its appointed officials, not blindly but certainly not by making the job so much more unenjoyable than it has to be.

Refereeing in fear of the official in the stands has, palpably led to an over-officiousness that stifles rather than stimulates flair. How many of us, how many Blatters, have been subjected to controlling high speed arch-professionals competing for millions of dollars before billions of viewers?

And are we so sure that the play-back — And what next, the hidden microphones? — show everything that happens down there?

Rob Hughes is on the staff of the Sunday Times

Romania: Night of Joy For a Nation in Strife

By George Vecsey
New York Times Service

NAPLES — For a few dangerous minutes Monday night, Romania was on the brink of being eliminated from the World Cup finals, but Gavril Balint headed in a goal to tie Argentina, 1-1, and qualify his team for the second round.

"This is a historic occasion for us," said Romania's coach, Emerich Jenei, "because we have never qualified for the second round."

But the moment of the Romanian's triumph took place while their troubled nation was going through still more turmoil.

The players tried to play down questions about problems back home, saying they are "sportsmen." But Jenei said, "Certainly, what has happened has left traces in the hearts of the players. We're far from the country. The political problems will be solved. Now we try to solve the football problems."

The players hear the news from Bucharest, where miners last week clashed with students, casting doubt on the direction of the regime of President Ion Iliescu.

Numerous Romanian fans have applied for asylum in Italy. They are among the 1,000 given a free trip to the finals by Italian fans, who feel a strong bond with Romania because the two countries' languages and histories have so much in common.

There have been no reports of Romanian players seeking asylum, although many are being courted by professional teams in Europe. But the players have been closed off from the news media since word from home began to get worse.

In the hopeful months after the December execution of President Nicolae Ceausescu, they had thought they could focus on soccer.

When they first arrived in Italy, they talked about the old days, when the Romanian league was dominated by the Ceausescu family, the army and the secret police, the Securitate.

The Securitate used to sponsor the Dinamo Club, which had more than a little to do with Dinamo being one of the two strong teams in the league. The other was Steaua Bucharest, a wing of the army. Steaua could offer positions in the service and outright payoffs to recruit players. And the Ceausescu family was in the middle of it.

"They tried to fix games," Jenei said earlier this year. "They used their own positions with the referees, the leaders of the opposite teams, even with the players. It wasn't possible to make it public, but every football fan knew about it."

Jenei said one Ceausescu son, Valentin, favored Steaua, while the other son, Nicolae Jr., tried to influence things for a team from the Sibiu region.

In the bitter fighting at the downfall of the Ceausescu regime, the Securitate was said to have attacked the office of Steaua.

In recent months, Dinamo has been given the pre-war name of Unirea Tricolor, and Steaua has accepted Western sponsorship.

"It was rather difficult to start preparations after the revolution," Jenei said. But one improvement was noted recently by Corneli Dinu, a former national team star, now an official with the team.

"Now you don't see the two or three people who were disguised as part of the team but were working for the Securitate," he said.

As the Romania players prepared for the World Cup finals, they said they hoped to give a good showing for their country and themselves.

"The World Cup is a great market; our players are really motivated because they want to get transferred to foreign clubs," said Rodion Camataru, a striker who already plays for Charleroi in Belgium.

But now the unrest in their home capital matches the World Cup for priority on television and in Italian newspapers.

For the Romanian players, there may be a way out short of political defection. But while trying to concentrate on soccer, they have all been pondering the future of their country.

Now, they will remain far from the turmoil for at least another week while they try to extend their own historic event.



A German fan was at the match in Milan early Tuesday, having slept at the stadium overnight.

Blatter Says Italian and Soviet Referees Should Be Dropped

The Associated Press

ROME — Joseph Blatter, FIFA's secretary-general, has most recently criticized an Italian and a Soviet referee and said they should not officiate any more matches.

Blatter was shown films of Luigi Agnolin and Alexei Spirin officiating matches during an interview with the West German television network ZDF on Saturday evening, said FIFA's spokesman, Guido Tognoni. The program was later broadcast in Italy.

"He was asked to give his opinion after seeing the films and said that it was clear they had not followed their own rules," Tognoni said.

Blatter said Agnolin failed to punish a Yugoslav player for "violent interference" during the Yugoslavia-Colombia match last Thursday, and that Spirin "didn't want to see a very violent interference" by a

United Arab Emirates' player against West German striker Jürgen Klinsmann last Friday, the Italian news agency ANSA reported.

Blatter said Spirin and Agnolin should not be allowed to referee any more matches at the monthlong World Cup finals.

"These are two examples that give a situation of insecurity to the other referees and also to the other teams. Therefore, we have to intervene against them," Blatter said on the program.

Tognoni said that while Blatter could not unilaterally bar the referees from further games, he has "a big influence" in the deliberations of the FIFA referees committee, which assigns the game officials.

The committee meets June 22 to decide on second-round referees, and again June 27 to decide quarterfinal assignments, Tognoni said.



Blatter: 'Have to intervene.'

Dollars

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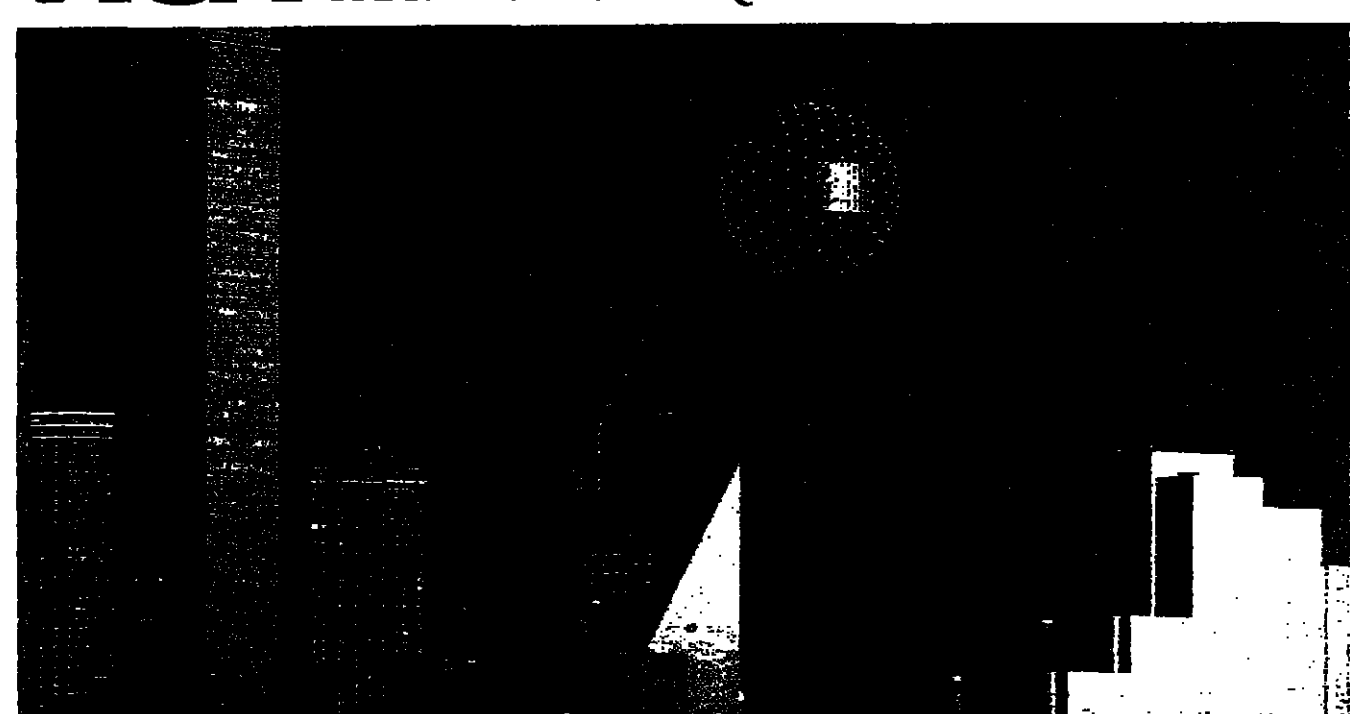
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ALL YOU NEED



SPORTS/THE WORLD CUP

Brazil Sets Lineup
To Refute Rumors

Reuters
TURIN — Brazil's manager said Tuesday that he will make only two changes in his team for its match against Scotland on Wednesday, mainly to end rumors that Brazil wanted to avoid Argentina in the second round of the World Cup finals.

"I had planned to rest almost the whole team but I changed my mind after false speculation in Brazil that we did not want to win the group," said the manager, Sebastiao Lazaroni.

Brazil, which has already qualified for the last 16, needs only a draw to win Group C and almost certainly face Diego Maradona's world champions, who finished in third place in Group B.

In the other Group C match on Wednesday, Sweden plays Costa Rica. As many as three teams from the group can qualify for the second round.

Lazaroni said that he had planned to keep only midfielder Alemão and defender Mauro Galvão from the team that defeated Sweden and Costa Rica, thus giving his reserves a chance to play.

"But I have now decided that Romario for Müller and Ricardo Rocha for Mozer will be the only changes," he said after a training session near this northern city. "I can assure the world that we want to win against Scotland and stay in Turin for the first sudden death game," he said.

Asked about Scotland, Lazaroni said he had been impressed by its 2-1 victory over Sweden after an opening loss to Costa Rica.

"They made much more space in the second match and were far quicker in attack," he said.

In Turin, the whole Scottish team, with the exception of striker Alan McInally and defender Craig Levein, who are injured, trained for the first time in Stadio Alpi.

"I never announce the team until just before the kickoff," said the team's manager, Andy Roxburgh.

He said Scotland, needing a draw to almost guarantee a place in the second round, would play to win.

"We cannot play otherwise," he said, adding that "we will defend when we must and attack when we can, though I admit that qualification is our main aim."

Sweden Set to Attack

Sweden will resort to its most attacking lineup since Olle Nordin became manager in 1986 when it plays Costa Rica, United Press International reported from Genoa.

After consecutive 2-1 losses to Brazil and Scotland, Sweden must

defeat Costa Rica by several goals and rely on Brazil defeating Scotland if the Swedes are to reach the second round.

"We have never started with a system like this in a match since I became coach, but we must take a chance," Nordin said.

"We must force them to make mistakes in their half of the field and play an aggressive attacking game."

Nordin has abandoned the traditional 4-4-2 system for 3-5-2 in an attempt to get the side as a whole moving further forward.

Playmaker Jonas Thern is out with a back injury and midfielder Anders Limpar has been dropped. Nordin has inserted into his starting lineup striker Johnny Ekström and midfielder Glenn Strömberg, who has been involved in both of Sweden's goals in the tournament after coming off the bench in the first two matches.

Costa Rica was expected to field the same starting lineup as in the two opening matches. The team was to be announced one hour before the kickoff.

"This is all a big adventure for us and winning is not everything," said Costa Rica's Yugoslav-born manager, Bora Milutinovic. "But we believe we have a chance to reach the second round."

"We would like to play offensive soccer, but we have mostly practiced the defensive game," said Milutinovic, who took over as coach of Costa Rica only eight weeks before the World Cup finals.



Brazil's Careca, left, huffed through practice, while Scotland's Gary McAllister got a hand at his session. Their teams play Wednesday.

Robson Says European Ban Has Hurt England

United Press International

PULA, Sardinia — England's manager, Bob Robson, said Tuesday that the ban on English club teams playing in European competition was having a negative long-term effect on his players.

The ban was imposed by UEFA, European soccer's ruling body, after the Heysel Stadium disaster in Brussels on May 29, 1985, when a riot caused by Liverpool fans before the European Champions Cup final with Juventus led to the deaths of 39 Italian fans.

Since then the only exposure for English players to international soccer has been in full international matches, the occasional club friendly match or if they are playing for either an overseas team or a Scottish club that takes part in European competition.

Of the 22 players on England's squad, Chris Woods, Gary Stevens, Trevor Steven and Terry Butcher play in Scotland with the Rangers. Chris Waddle plays in France with Marseille.

Robson was discussing the tactical improvisation he made in Saturday's match against the

Netherlands, when he introduced Mark Wright as a sweeper and played central defender Terry Butcher at right back.

"I never in my life would have imagined I'd ever have played Butcher at right back," said Robson. "But because of the way the Dutch played, we were forced to adapt our defense."

"The Dutch posed us a tactical problem by playing Hans Gillhans wide on the left when we did not expect them to."

"It was the sort of tactical problem you never face in the English League. We play against the same sort of players and the same systems week in and week out."

"But as our clubs are not in Europe anymore our players are missing out on the sorts of tactical problems the Dutch, the Germans, the Italians and the Spanish face playing against each other all the time."

"We only know how other English teams play and it is bad for our game. We are losing out because of the ban. Some of the players in the English team have never played in European matches. It is a bad situation."



Robson: "Our players are missing out."

Matches in 1994
May Be Indoors

Reuters

FLORENCE — Several matches may be played indoors at the 1994 World Cup finals in the United States, organizers said Tuesday.

Scott LeTollier, chief operating officer of the '94 finals, said FIFA had agreed to consider matches at covered stadiums in which major league baseball and American-style football matches are played.

None of the stadiums has a grass surface, but LeTollier said that "we have evidence that it will not be a problem to grow grass indoors."

U.S. officials have yet to decide on the 8 to 12 cities in which the finals will be played.

He said the United States was not in a position to rebuild many old stadiums or to build new ones, as was done for this tournament.

Police Stop Two Fights
Of English and Italians

Reuters

CAGLIARI — English soccer fans and Italian youths fought with rocks and bottles in two separate incidents overnight as World Cup tension remained high in Sardinia, police reported Tuesday.

Carabinieri paramilitary police officials said officers had moved in to separate groups of English and Italian youths in the coastal resorts of Santa Margherita and Villasimius, near Cagliari.

Twenty-two English fans were expelled from Italy on Tuesday.

British officials in Cagliari said the 14 English bootleggers handed short and suspended sentences by a court on Monday for fighting police were deported on Tuesday.

They were involved in a June 8 clash between drunken, bottle-throwing supporters and riot police, the first serious street violence of the World Cup.

Another eight were deported after being convicted of brawling and malicious damage at Alghero on the northwest Sardinian coast. Three of them were also convicted of resisting arrest.

Police said the worst overnight incident was at Santa Margherita, near the training camp of the English squad, where groups of English fans and youths from Cagliari pelted each other with stones and bottles. Several cars were damaged.

The carabinieri said they detained 10 people and then released them. Two Sardinians and an Englishman were charged with malicious damage, they said.

At Villasimius, scene of a previous clash between the English and Sardinians, the carabinieri also stopped a bottle and rock fight. No one was detained.

Tension has been high in the Cagliari area since England's notorious fans began arriving to watch their team in the World Cup. There have been frequent outbreaks of violence.

Some residents have reported that gangs of Sardinian youths have repeatedly picked fights with the English, but that the police have tended to crack down only on the foreigners.

Some English fans have claimed that they have been victimized.

Five Sardinians were charged near Cagliari on Tuesday with beating an English fan, who was admitted to a hospital with head injuries on Sunday.

Courts on the island have handed down suspended sentences against 23 English bootleggers, three

more have been jailed and 20 others are awaiting trial.

The 22 deported fans were met at Heathrow airport outside London by six police officers. The fans began to chant "we are the famous fourteen" as they were escorted through the airport, but were told by the police to remain silent.

Romanians
Asking Asylum
Swell to 100

Compiled by Our Staff From Dispatches

BENEVENTO, Italy — The number of Romanian soccer fans seeking political asylum in Italy after bloody clashes at home swelled to more than 100 on Tuesday. Police said the figure could rise.

"I have been shot once and I don't want to go back and be shot again," a 23-year-old man from Bucharest said as he waited at the police headquarters in this southern Italian city to make his application for asylum.

The Romania, who did not want to be identified, unbuttoned his shirt to show chest scars from bullet wounds that, he said, he had received during last December's bloody overthrow of the country's ruler, Nicolae Ceausescu.

Many of those seeking asylum said that they were opponents of the ruling National Salvation Front, whose leaders, they said, have links to the Ceausescu regime.

They said that they feared repression and arrest at home after seeing televised scenes of last week's violent suppression of protests in Bucharest.

"We have had 104 requests for political asylum since Monday and people are continuing to turn up," said a spokesman for the Benevento police, Emilio Iario.

"It has now become a tide," he said.

Those seeking asylum are among the 1,000 fans scheduled to fly back to Romania this week.

Some Romanian fans questioned the motives of those seeking political asylum in Italy.

"We have real fans here and people who came here to look for political asylum," Sandu Virgul, a teacher, said in Naples.

"There is no need to ask for asylum," he said, and two dozen fans standing around him shouted in agreement. Others said some sought asylum for economic reasons. (Reuters, AP)

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SPORTS/THE WORLD CUP

New Attack Duo Paces Italy Past Czechoslovakia

ROME — Roberto Baggio, the world's most expensive player, scored in his World Cup debut on Tuesday night to give Italy a 2-0 victory over Czechoslovakia.

The victory keeps Italy, the Group A winner, in Rome for the second round. Czechoslovakia, which finished second, moves to Bari for the next round. It is not clear who their opponents will be.

With first place in Group A at stake, the Italian coach, Azeglio Vicini, tried out a new pair of strikers, Baggio and Salvatore Schillaci.

The move paid off nine minutes into the game when Schillaci scored after midfielder Roberto Donadoni lifted a corner to Giuseppe Giannini. Schillaci headed Giannini's flick securely past Czechoslovakia's goalkeeper, Jan Stejskal.

Baggio, who transferred from Fiorentina to Juventus for a world record \$13 million, put the outcome beyond doubt when he scored in the 77th minute. He finished a scintillating run from inside his own half by sidestepping two defenders and sending the keeper the wrong way.

The Italians dominated throughout the match and could have scored a dozen times, but they regularly squandering chances up front.

Baggio, who demonstrated his worth with tireless running and superb ball control, twice came close to scoring in the first half.

In the 32nd minute he forced Stejskal to make a diving save to the right after a fine pass from Giuseppe Bergomi. In the 39th he cut through several defenders but Stejskal grabbed the ball at his feet.

Vicini afterward described Baggio's exhibition as "extraordinary for its individual skill and for his athletic freshness."

Czechoslovakia's coach, Jozef Venglos, said Italy deserved the victory. "In the first few minutes we did not settle down properly — then their goal came," he said.

Fans in the packed Stadio Olimpico, who had whistled during Italy's disappointing 1-0 victory over the United States, had a feast of fine moves to cheer.

Nicola Bertl, Donadoni and stopper Riccardo Ferri all came close to scoring; Schillaci was a constant danger.

Italy was unlucky not to be awarded a penalty in the 37th minute when Schillaci was brought down by Tomas Skuhravy. But the referee, Joël Quiniou of France, gave the free kick to Czechoslovakia, indicating the striker had taken a dive.

The Czechoslovaks, outnumbered and outrun, resorted to heavy tackles to try to curb the Italians' enthusiasm. Jozef Chovanec, Skuhravy and Michal Bilek were all booked for fouls or dissent.

Austria Defeats U.S., 2-1

The Associated Press

FLORENCE — Austria outran the United States even when it was reduced to 10 players to win its last Group A match, 2-1, and maintain a theoretical chance of qualifying for the second round of the World Cup finals.

Goals by Andreas Ogris in the 49th minute and by Gerhard Rodax in the 65th minute — both on breakaways — sent the U.S. home with three straight losses in its first World Cup in 40 years.

Bruce Murray scored a consolation goal from close range on an assist from Tab Ramos five minutes before the match ended.

Austria finished third in Group A with two points. Its hopes of advancing now depend on the final matches in other groups. But those chances are remote.

The Austrians went a man down in the 34th minute after defender Peter Arner was sent off with a red card for a brutal, late tackle on Peter Vermes near the sideline. But even outnumbered, they ran through the slow U.S. defense with ease.

Scoring Austria's first goal, Ogris left the U.S. captain, Michael Windischmann, gasping in his wake on a run that covered half the field before the striker lifted a clever shot out of the reach of goalkeeper Tony Meola.

The U.S. defense was playing flatfooted again when two of its members failed to clear a low cross in the penalty area, offering Rodax the easiest of scoring opportunities.

At the other end, the lack of creativity and the stiffness of the Austrian defense limited the chances for the United States.

"Unfortunately we made an error again," said its coach, Robert Gansler, referring to mistakes that led to goals.

In a match rife with dangerous fouls, referee Jamal Al-Sharif of Syria showed the yellow card to three U.S. players and to two Austrians in the first half alone, in addition to sending Arner off during that half. The total at the end of the match stood at nine yellow cards and one red.

Austria went into the game hoping to win big and increase its chances of reaching the next round.

But it was the U.S. team that got the first chance. Vermes broke through in the middle and was served a great assist from Ramos on the wing. But he shot the ball over the goal from close range.



Gabriel Gómez argued with West Germany's Rudi Völler following a play in the hard-fought match on which Colombia's goalkeeper, René Higuita, was knocked down.

WORLD CUP WRAP-UP

Lacatus, Serrizuela to Miss 1 Game

ROME (AP) — Striker Marius Lacatus of Romania and defender José Serrizuela of Argentina have been suspended by FIFA for one World Cup match for receiving two yellow cards, the world soccer federation said Tuesday.

Lacatus and Serrizuela also were fined 5,000 Swiss francs (\$3,472) after receiving yellow cards in the 1-1 draw between Romania and Argentina on Monday night.

Romanian Players Get \$10,000 Each

TELESE, Italy (AP) — Romanian players have earned \$10,000 each while clinching a spot in the second round of the World Cup.

The draw with Argentina that assured the Romanians of a place in the second round was worth \$7,000 to each player — \$5,500 for becoming the first Romanian team to qualify for the second round and \$1,500 for the draw itself, said the deputy sports minister, Cornel Dimu. The players earlier had earned \$3,000 for a 2-0 victory over the Soviet Union in their opening match, he said.

Emirates Asks Coach to Remain

ABU DHABI (Reuters) — The managers of the United Arab Emirates' World Cup team have offered Brazilian coach Carlos Alberto Parreira \$360,000 to stay on for an extra year, the Al Itihad newspaper said on Tuesday.

Alberto, who coached the United Arab Emirates for four years before leaving for Saudi Arabia in 1988, is on a three-month, \$100,000 contract, which ended after the team's match against Yugoslavia on Tuesday.

West Germany Seeks Release of Fans

MILAN (Reuters) — West Germany has asked Italian authorities to allow eight World Cup fans jailed for fighting and vandalism in Milan to fly back home.

The West German consul, Manfred Steinkötter, told Italian magistrates on Monday that the eight fans, who were each jailed for eight months for their actions during a riot in Milan before and after West Germany's 4-1 victory over Yugoslavia last week, risked losing their jobs.

The eight, aged from 20 to 30, were convicted on charges including resisting arrest and malicious damage.

Alcohol Ban Eased in Rome, Turin

ROME (AP) — Police chiefs in Rome and Turin announced on Tuesday modifications to the ban on the sale of alcoholic beverages in those cities on the days World Cup matches are played there.

The police chief of Turin, Carlo Lessona, said the ban will be in effect for restaurants and bars that serve food only between the hours of 4 P.M. and midnight instead of all day. Rome's police chief, Alessandro Voci, has permitted the sale of wine and beer in bars and restaurants until 4 P.M. on the day of a match.

Pub Declares Itself a Soccer-Free Zone

PASSAU, West Germany (Reuters) — A Bavarian pub has declared itself a soccer-free zone for people who are fed up with the World Cup. The menu guarantees no soccer will be shown on the television. The pub's owner, Karl Fliegenbauer, says anyone found discussing soccer would be shown a red card banning him from the Weisses Kreuz pub for the rest of the tournament.

Fan Stabs Bar Owner in TV Dispute

NAIROBI (Reuters) — A bar owner was rushed to hospital with stab wounds in Homa Bay, western Kenya, after being attacked by a man who refused to pay to watch World Cup soccer on television, police said on Tuesday.

Police said the bar owner had tried to keep non-paying customers out. The knife-wielding fan has been arrested.

For the Record

Marco van Basten, the Dutch striker, will play in the crucial Group F game against Ireland on Thursday despite slightly straining his left knee ligaments in training, team officials said Tuesday in Palermo, Sicily. (AP) Diego Maradona, Argentina's captain, has been ordered by the team doctor to have two days of absolute rest because of an injury to his right ankle, the manager, Carlos Bilardo, said Tuesday.

Wim Kieft, the PSV Eindhoven striker who has scored the Netherlands' only goal in the World Cup, is set to join Bordeaux, the French club said Tuesday in Bordeaux. (Reuters)

Quotable

"No words can express that emotion. It is a page written in Colombian football history, something really important," Colombia's coach, Francisco Maturana, said after Freddy Rincón's goal gave Colombia and draw with West Germany and a place in the second round. (Reuters)

Rincón's Goal Gives Colombia 1-1 Draw With West Germany

Compiled by Our Staff From Dispatches

MILAN — Colombia stopped West Germany's winning streak in the World Cup finals Tuesday by holding the Germans to a dramatic 1-1 draw that allowed both teams to reach the second round.

West Germany took the lead in the 68th minute on a shot by Pierre Littbarski. Then Freddy Rincón's goal in injury time put Colombia into the second round for the first time.

The West Germans, twice winners of the title, finished the first round atop Group D with five points from two victories and a draw.

Yugoslavia finished second with four points. Colombia qualified by virtue of finishing third with three points and a 3-2 goal differential.

Although a draw was enough for both teams to qualify, both West Germany and Colombia committed themselves to attacking.

The Colombian goalkeeper, René Higuita, made some superb saves to stave off the West Germans until the dying minutes.

Then Rudi Völler ran at the Colombian defense and passed to Littbarski, who fired a shot between Higuita and the near post.

The Colombians sank to their knees in disbelief, but fought back in stunning fashion.

Carlos Valderrama freed midfielder Rincón with a through ball and Rincón scored with a low shot that went through the legs of goalkeeper Bodo Illgner.

Afterward, the West German manager, Franz Beckenbauer, said that "our goal was to win the group and that's what we achieved."

He said he had not been surprised by Colombia.

"We knew it was going to be a difficult day," he said. "They're an excellent team. They made us struggle for one and a half hours and made us run a lot. I think a draw was the best result."

"The Colombians played brilliantly and perhaps there was a lack of concentration from our side. After all, we had already qualified for

the next round and perhaps we were not aggressive enough."

He said his team had been weakened by the absence of Andreas Brehme, suspended for one game.

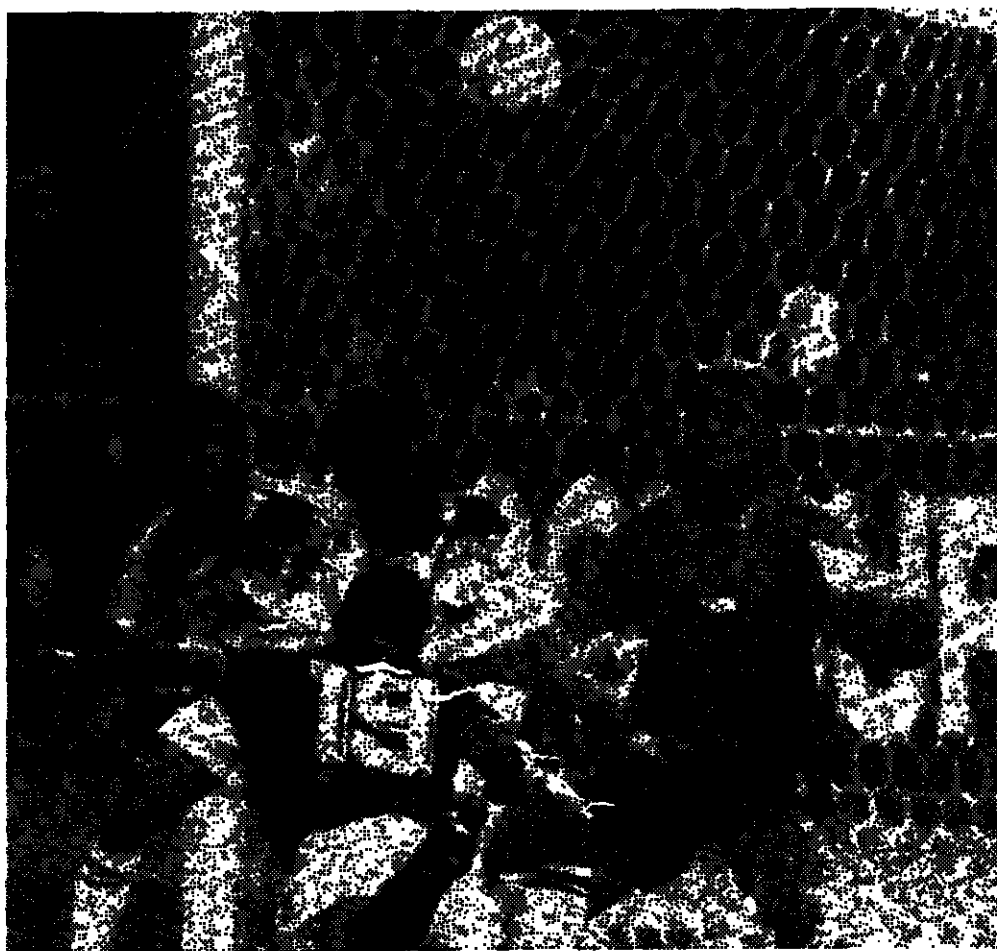
Assessing Colombia's chances, Beckenbauer said: "They'll be a nuisance for many opponents, like they were to us today."

Colombia's coach, Francisco Maturana, said he "suffered a lot" when Littbarski scored. "It wasn't fair. We didn't deserve it. We had not made one mistake until then."

But he described Rincón's goal as "a joyful emotion."

"We never take any result for granted, but we want to go as far as possible and if we become champions by winning a number of matches, so much the better," Maturana said.

Asked what the match against West Germany meant to him personally, he replied: "This is a moment of great success for me. But now we have to go on and win again." (AP, Reuters)



Salvatore Schillaci, 19, gave Italy the lead with a header past Czechoslovak goalkeeper Jan Stejskal.

Yugoslavia Defeats Emirates to Gain Next Round

The Associated Press

BOLOGNA, Italy — Darko Pančev scored two goals Tuesday as Yugoslavia beat the United Arab Emirates, 4-1, and advanced to the second round of the World Cup finals for the first time since 1974.

With four points, Yugoslavia finished second in Group D, behind West Germany. The United Arab Emirates finished last, having lost all three matches.

Pancev scored in the 9th and 46th minutes. Safet Susic had scored in the 5th minute and Robert Prosinecki, a second-half substitute, scored in the closing seconds.

The United Arab Emirates finished the match with 10 players after the Japanese referee, Shirozu Takada, sent off defender Khalil Ghanim Mubarak in the 75th min-

ute for tussling with Pancev and kicking the Yugoslav striker. Pancev was also booked.

"The most important thing is that we won and advanced," said Yugoslavia's coach, Ivica Osim. "We were the favorites but we had to prove it on the field."

Yugoslavia made a furious start, scoring twice within nine minutes, but then allowed itself to be lured into a slower pace by the inexperienced United Arab Emirates' team.

Yugoslavia pulled ahead when Susic headed in the fastest goal so far in the tournament, on a cross by Refik Sabanadzovic.

Four minutes later, Pancev scored after the United Arab Emirates' defense failed to clear a loose ball on the edge of the area.

The United Arab Emirates scored in the 22d minute when Ali Thani Jumaa headed a crossing pass from Ibrahim Meer Abdulrahman past Yugoslavia's goalkeeper, Tomislav Ivkovic.

After that goal, the Yugoslavs squandered a series of good chances in quick succession. Zlatko Vujovic and Pancev each missed on three shots.

At the end of the first half, Ivkovic had to make a diving save to clear the ball from Jumaa's feet.

Both players were injured in the collision, and Jumaa was replaced at halftime by Fahad Khamees Mubarak.

Ivkovic's shoulder was hurt in the collision. Team officials said he may be out of action for several days, making him questionable for the second-round match against either Belgium or Spain.

The second-place Group D team plays the Group E champion in the second round. Belgium and Spain play Thursday to decide that spot.

The Yugoslavs began the second half in the same manner as they did in the first and scored less than a full minute into the period when Pancev put in a powerful shot from 14 meters out.

Fahad Khamees Mubarak twice came in alone at the Yugoslav goal as his team won applause from the about 17,000 spectators in Stadio Renato Dall'Ara for several polished attacks. Both times, however, he was foiled by Ivkovic.

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SPORTS

Running on Empty, Yankees Fall, 4-2, To Lowly Brewers

Compiled by Our Staff From Dispatches
It doesn't matter whether they are home or on the road, whether they are playing in the day or at night, whether their manager is Bucky Dent or Stump Merrill.

The Yankees are simply running on empty. They score about as often as the U.S. World Cup team and lose with the same frequency.

Monday night, it was a 4-2 defeat by the Milwaukee Brewers.

BASEBALL ROUNDUP

who have endured their own struggles but, like almost every other team in the American League, recovered against the Yankees.

The loss in Milwaukee was the Yankees' fourth in a row and the fifth straight for Tim Lincecum, who once more failed to get much support.

Leary gave up four first-inning runs, then nothing more in his ninth loss against three victories, and the Yankees' only two runs came as a result of a double play and an error.

The Yankees could have had more, but Deion Sanders, after stealing second base in the eighth inning, was caught with his foot off the bag and tagged out by the shortstop, Bill Spillers.

Steve Sax doubled, and Don Mattingly's fly ball to right was dropped by Mike Feller, allowing Sax to score.

Dan Plesac then relieved the Brewers' starter, Mark Knudson, and struck out Steve Balboni on three pitches. The victory was the Brewers' sixth in their last 24 games.

Orlando 7, Red Sox 2: The Orioles chased Roger Clemens in the second inning in Baltimore, and went on to stop their five-game skid.

Clemens had won seven straight decisions until Baltimore tagged him for seven hits and six runs, three of them earned, in 1 1/2 innings. It was the earliest Clemens had been knocked out since Aug. 14, 1988, when Detroit finished him in 1 1/2 innings.

The game was tied 1-1 when the Orioles struck in the second. Greg Walker walked and singles by Tim Lincecum and Billy Ripken landed the bases. With one out, shortstop Luis Rivera's error on a grounder by

Mike Devereaux enabled one run to score and Randy Milligan hit a two-run single. With two outs, Joe Orsulak and Cal Ripken singled home runs.

Royals 6, Mariners 2: In Kansas City, Missouri, Bo Jackson homered for the second straight day and Mark Gubicin beat Seattle for the seventh consecutive time.

Tigers 7, Athletics 2: Alan Trammell and John Shelby, who was recalled only hours before from the minors, each homered and Jeff Robinson and Ed Nunez combined on a six-hitter in Detroit.

Angels 4, White Sox 1: Lance Parrish homered and drove in three runs, as California handed Chicago its fourth straight loss at home.

Rangers 7, Twins 1: Charlie Hough pitched a four-hitter and Scott Coolbaugh, recalled from the minors earlier in the day, hit a two-run single during a five-run second inning in Arlington, Texas, helping send Minnesota to its 10th loss in 11 games.

Giants 2, Padres 1: In a National League game in San Francisco, the streaking Giants got their ninth straight victory as left-hander Trevor Wilson won his second straight start over the Padres with relief help from Jeff Brantley.

Expos 5, Cubs 1: In Montreal, Dennis Martinez pitched a four-hitter and Spike Owen tied the National League record for consecutive errorless games in a season.

Tom Foley, starting his third game at second base in place of the injured Delino DeShields, had a two-run triple and an RBI double off Mike Harkey.

It was Owen's 60th straight game this season without an error, tying Kevin Elster, who set the record in 1988 for the New York Mets. Elster holds the major-league mark for consecutive errorless games by a shortstop, 88, set over two seasons.

Dodgers 5, Astros 2: Kal Daniels hit a two-run double and Eddie Murray followed with a triple, highlighting a four-run third inning as Los Angeles pounded out 14 hits at Dodger Stadium.

Kirk Gibson, who has been on the Dodgers' active roster less than a month, strained his right groin running out a single in the first inning and left the game.

(AP, NYT)



Chicago's Ozzie Guillen took it on the shin, but Dave Winfield didn't mind: he was safe at second.

Going, Going, Gone: Deluge of Runs Pounds National League

By Murray Chass

New York Times Service

NEW YORK — Whiskey Herzog, the outspoken manager of the St. Louis Cardinals, noted the deluge of runs that the New York Mets and the Chicago Cubs produced at Wrigley Field last week — 80 in four games — and did not hide his disdain for the quindt odd park.

"With that wind blowing out, that ball park is a joke," Herzog said. "I still can't understand why people say 'beautiful Wrigley Field.' Every park that ever looked like that has been razed."

Despite Herzog's feelings, Wrigley Field, 76 years old and the site of the 1990 All-Star Game next month, cannot be singled out as the culprit and cause of an orgy of runs.

The National League is scoring runs in abundant numbers everywhere this season. The numbers, not including games played over the weekend, speak succinctly for the most stunning development in the first half of the season.

• The National League batting average, compared with the average for a corresponding period last year, is up from .243 to .262. Pittsburgh's average is up 37

points, Philadelphia's 32, San Diego's 30. Only St. Louis and Houston have had their averages drop.

• The number of runs is up more than one a game, from 2,785, or 7.78 a game, to 3,133, or 8.83 a game. Five teams, including San Francisco at 304, have scored more runs than the 255 that led a year ago.

• Home runs have increased by 27.6 percent, from 468 to 597. Last year, three teams had totals in the 50s, with the Giants 57 the No. 1 total.

This year, four teams have more than 57 home runs, with the Cubs and the Giants in the 60s and the Mets leading at 73, 20 more than their total at this time last year.

• The league earned run average is 3.98, compared with 3.39 a year ago. Five teams have ERAs over 4.00, including one (Atlanta) over 5.00. Last year, only Philadelphia's was higher than 3.85. The ERAs of five teams have soared by more than a run.

The drastic difference can also be seen in the number of high-scoring games. Last year at this time, teams had scored in double figures 30 times; this season that number is 51.

San Diego has scored 10 or more runs six

times; five other teams have reached that level five times each.

A recent eight-day period produced these results: Giants 23, Braves 8; Mets 19, Cubs 8; Expos 18, Cardinals 2; Mets 15, Cubs 10; Cubs 15, Phillies 2; Reds 13.

A lot of this stuff makes for good barroom conversation, but I'll be darned if I know the answer.

Jim Frey, Cubs' general manager

Braves 4; Cardinals 12, Phillies 11; Padres 12, Dodgers 6.

"It's just unbelievable," said Jim Frey, general manager of the Cubs. "There's one or two of those blowouts a day. People now are saying the ball's alive, but they say that every year."

If the ball is livelier, it's livelier only in the National League.

American League teams have actually scored fewer runs (8.66 a game to 8.62) and have a lower batting average (.260 to .256).

"Since the offensive production had been down in the National League for a few years, these clubs went out and beefed up the attack," said Lou Piniella, who as manager of the Cincinnati Reds is a newcomer to the league.

The Los Angeles Dodgers were one club that tried to bolster its offense, and they have succeeded, raising their batting average 28 points, practically doubling their home run output and increasing their run production by one a game. At the same time, however, their ERA has skyrocketed by more than a run a game.

"There have been a lot of long home runs and a lot of games where there have been a lot of home runs," Fred Claire, the Dodgers' general manager, said, speaking generally. "I put a lot of that on the quality of the pitching. Pitching is at such a premium at the major league level and the Triple-A level. There's a scarcity."

No one knows for certain what is behind the leaguewide eruption. Mediocre pitching and the shortened spring training were most often cited as the possible reasons.

"I think this is another one of those questions that no one has a real answer for," Frey said. "A lot of this stuff makes for good barroom conversation, but I'll be darned if I know the answer."

But then Frey suggested the pitching theory.

"It appears that the second-line pitching isn't as strong this year," he said. "Maybe there is a shortage in the bullpen."

Jim Leyland, the Pittsburgh manager, noted the absence, either for the entire season or part, of such pitchers as Orel Hershiser, Jay Howell and Todd Worrell, and the departure of such pitchers as Mark Davis to the other league.

"It filters down," Leyland said. "Suppose you have a guy in your bullpen and all of a sudden somebody goes down and now that guy is starting and you're bringing up someone from Triple A. The depth isn't as good."

Even Herzog subscribed to the theory of the effect the abbreviated spring training might have had on pitching.

"I don't think the pitching was as sharp," the Cardinals' manager said. "You see a lot of big-name pitchers who probably didn't go down early and work as hard as they were struggling."

BOOKS

1919: America's Loss of Innocence

By Eliot Asinof. Illustrated. 365 pages. \$21.95. Donald I. Fine, Inc., 128 E. 36th Street, New York, N.Y. 10016.

CENTURY'S END: A Cultural History of the Fin de Siècle from the 1990s Through the 1990s

By Hillel Schwartz. Illustrated. 397 pages. \$22.95. Doubleday, 666 Fifth Avenue, New York, N.Y. 10103.

Reviewed by Herbert Mitgang

IN "1919: America's Loss of Innocence," Eliot Asinof takes an original path to illuminate some of the dark corners in the history of the United States. In four readable and opinionated sections, he describes the behavior of the idealists and the radicals who in that year set the pattern for much that followed in the 20th century.

Asinof writes: "1919 was the year of the jellyfish, the rat, the mad dog — a year of cowardice, of gross political opportunism, of furious unleashed. In 1919, America gave way to false values and impossible hopes. The essence of our failures can be illustrated best in four

major events that were spawned in that year, as vital for their symbolic impact as for their reality: (1) Woodrow Wilson's defeat at the Paris Peace Conference and the subsequent rejection of the League of Nations by the U.S. Senate; (2) the Red scare and the start of what would eventually become known as the Cold War with the Soviet Union; (3) the enactment of the 18th Amendment and the advent of Prohibition; (4) the fixing of the World Series, which became known as the Black Sox scandal."

The author says these four events deserve to be linked. He argues that to understand the failure of the peace conference after World War I is to know the roots of the Cold War and the Red scare; that the social forces that fanned these flames were at the religious and political center of Prohibition, and that the Black Sox scandal grew out of the post-World War I cynicism that made the Roaring 20s roar.

In each section of his book, an individual comes to the forefront. Asinof's judgments can be harsh and debatable. He describes Wilson at the Paris Peace Conference simply as "a Christian capitalist who saw only God at the end of the tunnel."

Al Capone, the bootlegger and gangster, is used as the symbol of how Prohibition did not stop drinking but encouraged and enriched lawbreakers. Of Shoeless Joe Jackson and the Black Sox, he writes: "There is no more telling incident in America's loss of innocence than the fixing of the 1919 World Series."

In "Century's End," Hillel Schwartz, a cultural historian who teaches at the University of California at San Diego, takes bold and breathtaking leaps across time — from Dec. 31, 1999, almost to the year 2000 — to interpret how mankind has fared as each century came to a close in the last 1,000 years. He connects spiritual, cultural, religious and sociological events, often anachronistically. He delivers a number of interesting facts and

factoids, jumping from one century to another dropping citations and wisecracks along the way.

The only thing he seems sure of in his rather playful history is that "what we are practicing for is the globalism of the year 2000."

Herbert Mitgang is on the staff of The New York Times.

BEST SELLERS

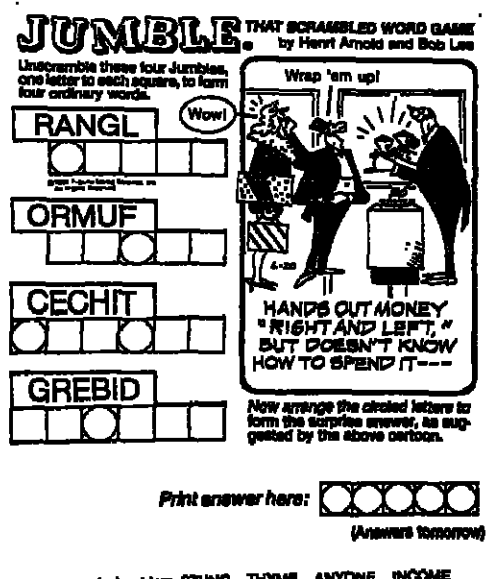
This list is based on reports from more than 2,000 bookstores throughout the United States. Weeks on list are not necessarily consecutive.

THE NEW YORK TIMES	LAST WEEK	WEEKS ON LIST
FICTION		
1 THE BURDEN OF PROOF, by Scott Turow	1	1
2 DEEP PLACES YOU'LL GO, by Robert S. Lynd	3	17
3 SEPTEMBER, by Rosemary Ripstein	2	9
4 THE STAND, by Stephen King	4	6
5 DRAGON, by C. J. Box	5	6
6 AN INCONVENIENT WOMAN, by Dennis Lehane	6	6
7 THE GOLDEN ORANGE, by Joseph Wambaugh	7	5
8 THE ROYAL ULTIMATUM, by Robert Ludlum	7	14
9 FAMILY PICTURES, by Sue Miller	9	6
10 SKINNY LEGS AND ALL, by Tom Robbins	8	9
11 THE GOLD COAST, by Nelson DeMille	12	8
12 THE OUTLAWS OF MESQUITE, by Louis L'Amour	11	3
NONFICTION		
1 MEN AT WORK, by George F. Will	1	10
2 DAVE BARRY TURNS 40, by Dave Barry	2	3
3 DON'T SHOOT, IT'S ONLY ME, by Bob Hope with Melville Shavelson	3	2
4 BARBARIANS AT THE GATE, by Bryan Burroughs and John H. Coatsworth	4	21
5 MEGATRENDS 2000, John Naisbitt and Patricia Aburdene	5	21
6 ALL I REALLY NEED TO KNOW I LEARNED IN KINDERGARTEN, by Robert Fuligem	6	84
7 IT WAS ON FIRE WHEN I LAY DOWN ON IT, by Robert Fuligem	6	39
8 WEALE WITHOUT RISK, by Charles J. Givens	8	8
9 LAR'S POKER, by Michael Lewis	9	32
10 LEGACIES, by Benita Bon Lord	10	7
11 MY LIFE IN THREE ACTS, by Elinor Hilder	11	2
12 THE SEARCH FOR MODERN CHINA, by Jonathan D. Spence	12	19
13 HEAD FIRST, by Norman Cousins	13	19
14 FATHER SON & CO., by Thomas J. Watson Jr. and Peter F. Drucker	14	2
15 PARTING WITH ILLUSIONS, by Vladimir Horowitz	15	11
ADVICE, HOW-TO AND MISCELLANEOUS		
1 WEBSTER'S NINTH NEW COLLEGIATE DICTIONARY (Merriam-Webster)	1	180
2 THE GREAT WALDO SEARCH, by Martin Handford	2	27
3 PARTING WITH ILLUSIONS, by Vladimir Horowitz	3	20
4 WEBSTER'S NEW WORLD DICTIONARY (Simon & Schuster)	4	24
5 BEWARE THE NAKED MAN WHO OFFERS YOU HIS SHIRT, by Harvey Mackay	5	17

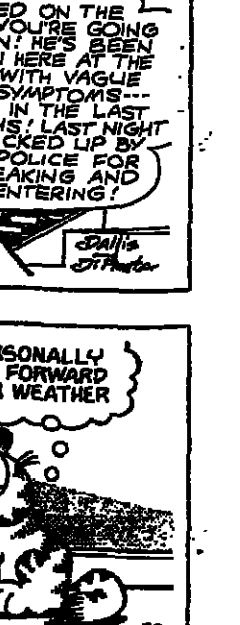
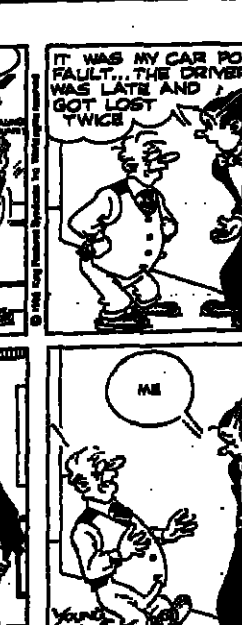
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DENNIS THE MENACE



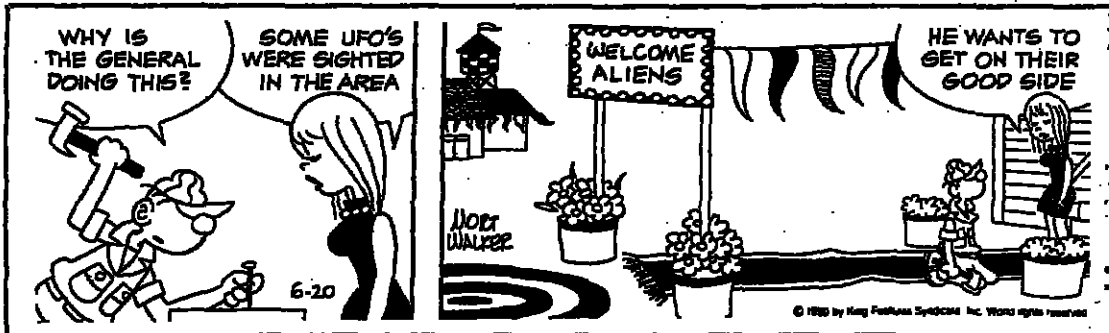
BLONDIE



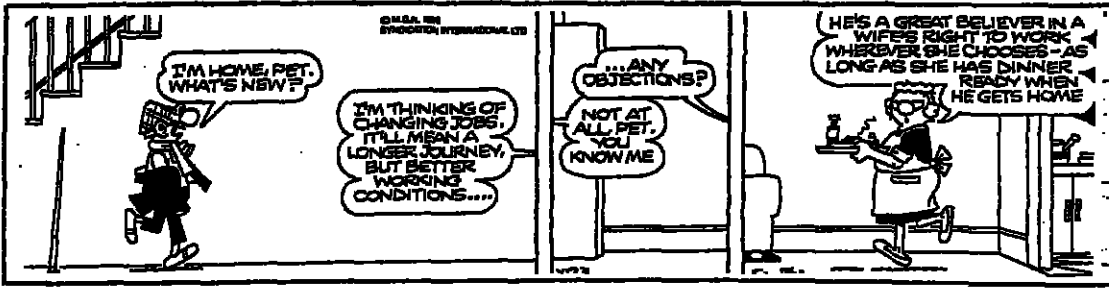
PEANUTS



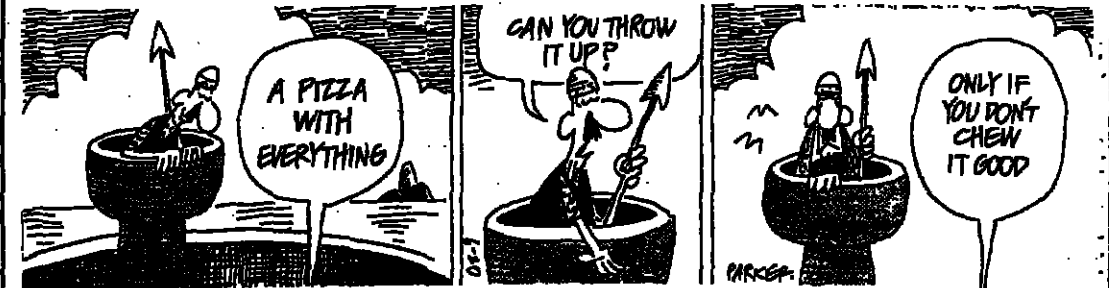
BEETLE BAILEY



ANDY CAPP



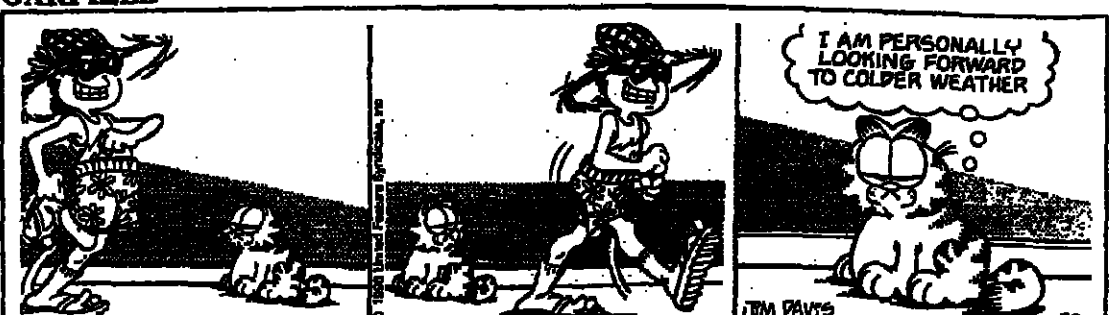
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SPORTS

VANTAGE POINT/Dave Anderson

'Pecking Away:' It's What Golf's All About

MEDINAH, Illinois — If it had been the Masters, the Professional Golfers Association Championship or any of hundreds of golf tournaments all over the world, Mike Donald would have won the sudden-death playoff with a birdie putt at the first hole.

If it had been the British Open, Hale Irwin would have won the four-hole playoff by a stroke. But this was the U.S. Open, the only major tournament that insists upon the integrity of the 18-hole playoff.

And so Hale Irwin, two strokes behind going to the 16th tee, finally emerged Monday as the oldest Open champion, at the age of 45, with an eight-foot (2.4-meter) birdie putt on the 18th hole that polished to a high gloss the tradition of the 18-hole playoff.

"I just kept pecking away," Irwin said. As any golfer knows, "pecking away" is what the game is all about. Pecking away over 18 holes, not for one hole or two or maybe four in a sudden-death format.

If you're all tied after 18 holes, that's different. Mike Donald had a 15-foot par putt to win at the 18th on Medinah's No. 3 course.

But when he missed it, he returned to the first tee in the first sudden-death situation in Open history.

With his birdie putt at the 19th hole, Irwin won his third Open title, the only golfer with that many except for the four who have won four.

In other eras, the Masters, the British Open and the PGA Championship each required an 18-hole playoff if two or more golfers were tied after 72 holes. At one time the U.S. Open even used a 36-hole playoff that in 1931 expanded to 72 holes.

In recent years, those tournaments surrendered to the microwave mentality that golf tournaments should end Sunday on television.

As the guardians of the U.S. Open's reputation as the world's most prestigious tournament, the blue blazers of the U.S. Golf Association have maintained the most prestigious playoff format. And the most fair.

The organizers of the Masters, the British Open and the PGA have argued that the television ratings aren't anywhere near as high for a Monday playoff, that the galleries won't be anywhere near as large, that an 18-hole format is an anti-climax to the traditional Sunday finish, especially because there's always the risk of boring theater.

But nobody was bored by the Irwin-Donald duel.

In their devotion to instant drama, the organizers of the other three major tournaments have ignored the essence of any playoff: fairness to the golfers dueling for a major championship.

No matter how many television viewers or how large the gallery, a sudden-death or four-hole playoff is nowhere near as fair to the golfers as 18 holes.

In golf, 18 holes is the test of a champion. Not a quick birdie putt on the first hole, as Donald had. Not a one-stroke edge after four holes, as Irwin had.

In golf, major titles are too precious to be decided by one putt or one freakish shot or one bad shot or one losing gamble.

On the second hole of the 1987 Masters playoff, Larry Mize chipped into the cup from off the 11th green as Greg Norman stood by in shock. On the second hole of this year's Masters playoff, Raymond Floyd splashed a seven-iron shot into the pond next to the 11th green as Nick Faldo coasted to a two-putt par.

On the fourth hole of last year's British Open playoff Norman, trying to hit his last shot as far as possible, "reached the unreachable bunker," as Jack Nicklaus described it. Going for the green, the Great White Shark put his ball in another bunker, then blasted out over the green and out of bounds.

At least the British Open playoff involves stroke play over at least four or maybe five holes, depending on the configuration of the course. The idea is to create a finish on what is normally the 18th green. Even so, it's still not as fair as 18 holes.

Irwin Wins on Sudden-Death Hole

By Jaime Diaz
New York Times Service

MEDINAH, Illinois — With the kind of doggedness that has marked his sometimes overlooked but remarkable career, Hale Irwin on Monday overcame a two-shot deficit with three holes to play and beat Mike Donald with a birdie on the first extra hole to win the 90th U.S. Open.

After the two tied with two-over-par 74s after an 18-hole playoff, Irwin made an eight-foot (2.4-meter) birdie putt on the 385-yard (353-meter) first hole for the first sudden-death ending in the history of the championship.

With the victory, Irwin becomes only the fifth man to win at least three U.S. Opens, joining Willie Anderson, Bobby Jones, Ben Hogan and Jack Nicklaus, all of whom have won four. (See Scoreboard)

Irwin, 45, also becomes the oldest Open champion, replacing Raymond Floyd, who won in 1986 at the age of 43.

Irwin is also the first man ever to win the Open while playing under a special exemption. He was invited into the tournament by his 10-year exemption, earned when he won in 1979, expired last year.

Of the 19 previous players to play under a special exemption, the best finish was by Ben Hogan, who finished 12th in 1966.

"There's a lot of emotion right now," Irwin said after making the winning putt. "It wasn't a great day, but I just tried to stay there."

Of Donald, 34, he said: "God bless him. I almost wish he had won, he's such a nice guy."

Irwin played far from a flawless

round. He visited the rough on several of his tee shots and was almost undone by two fairway wood shots, one that traveled all of nine yards on the par-five fifth hole and another that hooked deep into the trees on the par-four 12th.

But just as he did Sunday when he charged to a five-under-par 31 on the back nine, Irwin raised his game in the nick of time.

Trailing by two on the difficult

U.S. OPEN

par-four 16th, Irwin fired a two-shot shot to six feet and made the putt to draw within one.

Then on the 440-yard 18th, after Donald had driven into the trees, Irwin hit another solid iron to within 25 feet and two putted for par.

When Donald, who was bunkered in two, missed his par putt from 15 feet, the two headed for the first tee and the first sudden-death format in 90 championships.

It was over quickly. Both drove well. Donald, who had birdied the hole three times in a row, hit his approach 30 feet below the pin.

Irwin took longer than usual to judge the swirling wind, then hit a high, fading shot that expired softly eight feet to the left of the hole.

Irwin judged the left-to-right break perfectly. When the putt dropped, he jumped in the air, and was embraced by his wife, Sally, and 19-year-old daughter, Becky.

"I'm a little disappointed with the bogey on 18," said Donald. "It's just not to have friends, and to be able to play this great game."

The 29th playoff in Open history was played on a sunny day in which wind gusts reached 25 miles (40 kilometers) an hour.

With the ground firm after no rain for two days, the course played more like the USGA had hoped it would than it had on any day of the four rounds of regulation play.

Donald came out of the blocks quickly by placing his short iron approach to the first green four feet behind the hole and making it for a birdie and a one-shot lead.

But Donald gave the lead back on the par-three second when he left his approach 50 feet from the pin, left his first putt six feet short and missed for a bogey. On the 412-yard third, he missed an eight-foot-er for a birdie.

On the 434-yard fourth, he was short after driving into the rough, chipped seven feet past and missed.

Irwin just missed holing his 40-footer for birdie, and tapped in for a one-shot lead.

On the 526-yard par-five fifth, Irwin drove right in deep rough. He chose to take a wood for his second shot, but hit the top of the ball and moved it only nine yards through the thick grass. From there he made a bogey to Donald's routine par to fall back into a tie.

On the sixth, Donald drove into the left rough, put his approach into the bunker, exploded to eight feet and missed to go one behind.

The big break came on the ninth. Donald chipped a 15-footer for birdie, and Irwin, after having to play short of the green from the rough, missed a short putt for par. Donald thus went from one stroke behind to one stroke ahead.

On the 402-yard par-four 11th, Irwin drove poorly, bunkered his second shot and could not save par.

With a chance to go at least two shots ahead and possibly three, Donald ran his 18-foot birdie putt

three feet past and missed to stay only one shot ahead.

But on the 462-yard 12th, Irwin again drove into the right rough. Again hitting a fairway wood from a difficult lie, he pulled-hooked the ball into trees short of the green. When he bogeyed and Donald parred, the lead was two.

On the 13th, a par three, Irwin missed a 10-foot birdie attempt to remain two back. On the 545-yard 14th, with Irwin staring at a six-footer for birdie, Donald made a downhill 12-footer for a birdie.

The dogged Irwin, facing the possibility of going three strokes down, then made his.

Irwin just missed his birdie from 12 feet on the 15th. But on the uphill, dogleg left, 426-yard par-four 16th — the most difficult hole on the course — Irwin hit a great long iron to six feet.

Donald got up and down from 10 feet off the green, but Irwin made his six-footer, punching the air for emphasis when the ball went in. The lead was now one.

On the treacherous 17th, Irwin just missed chipping in from 18 feet, while Donald curled a 10-footer around the hole, setting for par.

After Irwin drove perfectly on the 440-yard 18th, Donald showed nerves by pulling his driver into the rough on the left, 200 yards from the green. His recovery ran into the bunker in front of the green, from where he puttied to 15 feet. After Irwin two putted from 25 feet for a par, Donald just missed the putt on the high side.

Donald and Irwin were tied at two-over-par 74, setting up the first sudden death in Open history.



Hale Irwin captured his third U.S. Open trophy, defeating Mike Donald, below, in the event's first-ever sudden-death playoff.



Mike Donald, below, in the event's first-ever sudden-death playoff.

NBA Nuggets Woo Georgetown's Thompson

By Mark Asher
Washington Post Service

WASHINGTON — The Denver Nuggets have put an offer worth more than \$6 million on the table for John Thompson if he would take total control of the National Basketball Association team's basketball operations, ending his coaching career after 18 seasons at Georgetown University.

Under the offer, Thompson, 48, would receive an annual salary of \$700,000 for five years and could receive about four percent of the club's ownership if he stays with Denver for the length of the contract, sources said. Industry sources estimated the value of the Nuggets at \$70 million, meaning Thompson's ownership share would amount to \$2.8 million, for a total package of \$6.3 million.

Basketball sources expected Thompson to accept the offer, citing the stress of coaching and recruiting in college basketball.

"It's a once-in-a-lifetime offer," said one NBA executive. "He won't have to coach; there won't be as much pressure; and it'll be a new challenge."

[At a news conference in Washington on Tuesday, Thompson said that he still had not decided whether he would leave Georgetown, The Associated Press reported.]

"If you think I'm considering an offer, you're absolutely right," he said. "If you think I've made up my mind, you're absolutely wrong." He said he was just starting to talk to Georgetown officials about the offer.

But Georgetown officials, who asked not to be identified, said they were hopeful that Thompson would remain with the Hoyas. They are counting on his allegiance to the school and the community. They also point to previous offers, including two recently made by the Seattle SuperSonics and the New York Knicks of the NBA.

Thompson could not be reached for comment Monday, but on Thursday he denied the report and Sunday he told USA Today: "I would say I'll be coaching at Georgetown next year. We are exploring our options."

But there are several indications that Thompson is strongly leaning toward accepting the offer.

"Negotiations with John are close, but you never know about these things," said Bob Wussler, one of the team's owners, who met with Thompson on Sunday night. Thompson rejected an offer from the Nuggets when he first was approached by the team, which has the only minority ownership in professional sports. The team's managing general partner, Peter Rynow, is a broadcasting executive.

But when the Nuggets came back a second time last week and included the ownership deal, Thompson reportedly became more interested.

SIDELINES

A Tough Wimbledon Draw for Lendl

LONDON (Reuters) — Ivan Lendl of Czechoslovakia, the world's top-ranked player, may have to defeat both Boris Becker and Stefan Edberg to win the Wimbledon singles title for the first time this year.

In the draw made on Tuesday for the championships, which begin next week, the top-seeded Lendl was given a projected semifinal against Edberg, the third-seeded Swede who won the title in 1988 and who lost to Becker in the final last year. In the other half of the draw, second-seeded Becker, a three-time winner, was given a possible semifinal against another three-time champion, John McEnroe of the United States, who is seeded fourth.

In the women's singles, Steffi Graf, the titleholder and world No. 1, faces the prospect of a semifinal against Monica Seles, the third-seeded Yugoslav who beat her in the French Open. Graf must also contend in the fourth round with Jennifer Capriati, the 14-year-old American who is seeded 12th. Second-seeded Martina Navratilova of the United States got the luck of the draw by avoiding Seles in the last four, where she is on course to play Gabriela Sabatini of Argentina, the fourth seed.

Gaimeny to Coach NHL North Stars

BLOOMINGTON, Minnesota (AP) — Bob Gaimeny, who captained the Montreal Canadiens and was a key figure in five of their Stanley Cup championships, was named coach of the Minnesota North Stars on Tuesday.

Gaimeny, 36, is the 16th coach the club has hired since joining the National Hockey League in 1967. "The opportunity to coach in the National Hockey League is very exciting and it presents a challenge," Gaimeny said at a news conference. "I'm looking forward to working in the great hockey community of Minnesota."

Gaimeny had been a candidate for the general manager job two years ago, but Jack Ferreira was hired instead. In 16 seasons with the Canadiens, he scored 239 goals and had 362 assists, and helped the Canadiens win Stanley Cups in 1976, 1977, 1978, 1979 and 1986. He was team captain from 1981 to 1989 before leaving the Canadiens to serve as player-coach for a club in France.

For the Record

Frankfurt was selected on Tuesday as the seventh franchise city for the World League of American Football, which is due to start play next spring, the league's president, Tex Schramm, announced.

An Indy-car race will be staged in Surfer's Paradise in Queensland, Australia on March 17, 1991, the first such race ever held outside of North America, Queensland state officials announced Tuesday in Brisbane.

The National Hockey League has announced new criteria for selecting its rookie of the year after Sergei Makarov, 32, was awarded that distinction this season. Under the new rules, a player will be eligible only if he is under 26. Makarov played 11 seasons in the Soviet Union and in three Olympics and 10 world championships before joining the NHL in 1989-90.

Quotable

• Hale Irwin, after sinking a putt on the first sudden-death hole in U.S. Open history, to become a three-time winner of the championship: "I actually don't remember hitting it. But I remember it going in." (UPI)

SCOREBOARD

BASEBALL

Major League Standings

AMERICAN LEAGUE

East Division

Team	W	L	Pct.
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Toronto	37	25	.594
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Boston	35	28	.556
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Detroit	32	34	.485
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Minnesota	32	32	.500
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Cleveland	29	32	.475
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Baltimore	30	34	.469
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New York	27	38	.412
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West Division

Team	W	L	Pct.
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Oakland	37	24	.607
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Chicago	32	34	.485
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California	32	32	.500
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San Diego	30	32	.484
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Seattle	30	32	.484
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Texas	29	37	.438
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Kansas City	27	38	.412
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NATIONAL LEAGUE

East Division

Team	W	L	Pct.
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Pittsburgh	34	24	.583
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Montreal	32	28	.529
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New York	31	29	.517
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Philadelphia	30	30	.500
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St. Louis	27	32	.453
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Chicago	27	30	.475
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West Division

Team	W	L	Pct.
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San Francisco	31	29	.517
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San Diego	30	30	.500
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Los Angeles	31	33	.485
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Houston	28	36	.438
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Atlanta	25	37	.403
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Monday's Line Scores

AMERICAN LEAGUE

Baltimore	151	88	2-1
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Cleveland	151	88	2-1
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Detroit	151	88	2-1
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Minnesota	151	88	2-1
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Toronto	151	88	2-1
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Washington	151	88	2-1
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White Sox	151	88	2-1
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Yankees	151	88	2-1
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NATIONAL LEAGUE

Atlanta	151	88	2-1
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Boston	151	88	2-1
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Chicago	151	88	2-1
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Cincinnati	151	88	2-1
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Cleveland	151	88	2-1
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Los Angeles	151	88	2-1
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Montreal	151	88	2-1
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New York	151	88	2-1
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Philadelphia	151	88	2-1
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Pittsburgh	151	88	2-1
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San Diego	151	88	2-1
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Seattle	151	88	2-1
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St. Louis	151	88	2-1
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Texas	151	88	2-1
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Washington	151	88	2-1
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White Sox	151	88	2-1
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Yankees	151	88	2-1
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